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# PERSONNEL PRACTICES FOR AN AGING WORK FORCE: PRIVATE-SECTOR EXAMPLES

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## AN INFORMATION PAPER

PREPARED FOR USE BY THE

## SPECIAL COMMITTEE ON AGING
## UNITED STATES SENATE

FEBRUARY 1985

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# PREFACE

One of the most important issues before the Congress today is the need to expand employment opportunities for those older men and women who want to work full or part time. We know that substantial numbers of retired people would like to do productive work, rather than retire full time, but only if more appropriate and flexible employment opportunities are made available to them and existing financial disincentives are removed.

Progressive business leaders, in response to changes in the age structure of the labor force, are beginning to implement new personnel policies and innovative work options to accommodate the unique needs of older workers. These changes, though not widespread, are the basis upon which a major new approach to employment and retirement policies can be built. As the structure of employment opportunities for older workers improves, more and more of these workers will choose to remain employed rather than retire, thereby avoiding dependency on public and private retirement income systems. From a public policy standpoint, such a shift in behavior would not only free up public funds so they can be used to support the most needy and frail elderly, but the availability of experienced older workers should prove beneficial to the national economy as well.

A major problem in the proliferation of innovation among business leaders with regard to older worker policies is the absence of information about models that have been tried in the private sector. Employers tend to take a conservative approach to change, especially when economic times are tight or unpredictable. Innovation is much more easily accepted, however, if it has been tried successfully by another employer with similar constraints.

This information paper fills an important information gap by providing employers, policymakers, and the general public with specific examples of innovative policies and practices that have been and are still being tried by private-sector employers. The companies listed in this study all have implemented employment practices designed to capitalize on the contributions of older workers. The case examples have been selected from the files of the National Older Workers Information System [NOWIS], a computerized data collection project conducted at the University of Michigan with the support of the Administration on Aging, Department of Health and Human Services.

This document has been prepared by Lawrence S. Root and Laura H. Zarrugh for use by the Members of the Special Committee on Aging. The views expressed are those of the authors and do not necessarily represent the views of the Special Committee on Aging.

JOHN HEINZ, *Chairman.*

# ACKNOWLEDGEMENTS

This report is based on the National Older Workers Information System [NOWIS], a documentation of private-sector programing for older workers. Many people were involved in the development of the NOWIS data. The Federal Administration on Aging provided the basic support for the work. In addition, the National Commission for Employment Policy and The Travelers Insurance Companies supported related research which enabled the further development of our analysis. The project was initially undertaken with the encouragement and support of Harold Johnson, then director of the Institute of Gerontology and currently dean of the School of Social Work, University of Michigan. Following the period of Federal support, responsibility for NOWIS was assumed by the Working Group on Aging of the University of Michigan's School of Social Work.

We have benefited from the contributions of a number of expert interviewers and staff. Although all cannot be mentioned here, we would like to particularly acknowledge Martha Adler, John Bryl, Donna Goodrid, Clara Illes, Ginger Maggio, Eloise Snyder, Lynn Wurster, Jennifer Zimmer, and Kristine Zvirbulis.

The creation of NOWIS would have been impossible without the willing cooperation help of innumerable individuals in companies across the country. Although it is not possible to acknowledge all of them here, we want to reiterate that their commitment to the issues of age and employment is fundamental to the development of private-sector initiatives. A listing of the individuals who were primarily responsible for the summaries contained in this study can be found in the appendix.

LAWRENCE S. ROOT.
LAURA H. ZARRUGH.

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# PERSONNEL PRACTICES FOR AN AGING WORK FORCE: PRIVATE-SECTOR EXAMPLES

(Prepared By Lawrence S. Root and Laura H. Zarrugh)

## Part 1

## INTRODUCTION AND OVERVIEW *

The situation of the "older worker" has become a topic for broad societal discussion. The juxtaposition of age and employment suggests a variety of issues, often with perspectives at sharp contrast with each other. For some, the older worker is the victim of age discrimination—a person whose individual abilities are overlooked because of negative stereotypes about aging. To others, the older worker is the disgruntled employee caught in an employment rut, a dissatisfied and unproductive member of the work force "marking time" until retirement.

These conflicting views find expression in conflicting policies of firms. While some are seeking ways to prolong the working life of their employees, others are using a variety of means to encourage early retirement. At times, the two goals can merge in a single personnel practice, varying only in the specifics of the application. For example, the availability of part-time employment as a transition to retirement may encourage some older workers to retire rather than continue working on a full-time basis. On the other hand, such an option may encourage other employees to continue working when they had planned to retire.

In this paper, we examine company personnel practices designed to increase employment opportunities for older workers. The companies studied have purposely adjusted their employment practices to capitalize on the contributions of older persons. Although altruistic motives may stimulate the formation of these practices, they are continued because they work. They are *symbiotic,* offering advantages to both the company and the employee.[1] To the extent that such symbiotic relationships exist, we can reasonably expect private-sector actions to address the needs of older workers. Conversely, when those conditions are not present, it is unrealistic to think that private-sector responses to the problems of older workers will be forthcoming.

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* Written by Lawrence S. Root.

[1] Root, Lawrence S. and Laura H. Zarrugh, "Innovative Employment Practices for Older Workers," National Commission for Employment Policy, Washington, DC, April 1983.

In the pages that follow, we discuss the nature and extent of private-sector personnel practices for older workers. In so doing, we should also be cognizant of the negative findings: what situations are *not* addressed through the efforts of the private sector? The main body of this work is devoted to examples of actual private-sector programs. These have been selected from the files of the National Older Workers Information System [NOWIS], a research effort undertaken at the University of Michigan with the support of the Administration on Aging. This research provides a realistic background for understanding the situation of the older worker and potential avenues for change.

## AGE AND EMPLOYMENT—DEFINING THE PROBLEMS

The definition of who is an "older worker" raises significant conceptual and jurisdictional problems. The Age Discrimination in Employment Act sets a lower limit of 40 years old. The Department of Labor considers those 45 and over to be "mature workers." The Administration on Aging identifies 55 as a cutoff. In our discussion, we shall take a functional definition: older workers are those for whom age is a negative factor in their employment. Such a flexible definition has distinct advantages when addressing the varied environment of employment.

In general, the focus of the discussion will be on those in their 50's and older, but it should be recognized that age often comes into play much earlier. For purposes of training, for example, age can very early become a negative factor. Many of the problems of older workers can be traced to a failure in training and other human resource planning much earlier in their careers. On the other hand, certain problems are more relevant to those of retirement age. A common confusion in discussions of age is the unconscious shifting back and forth between different implicit definitions of the older worker. Expanding employment opportunities for older workers, for instance, may seem a low priority in the face of high youth unemployment when one is thinking of a post-retirement target group. But such efforts are certainly not a "frill" when the older worker is a 50-year-old with no other sources of income.

The problems experienced by older workers fall into three general categories. First, there are the effects of negative stereotypes about aging, stereotypes which suggest that older persons tend to be inflexible, resistant to change, and incapacitated by an increasing set of disabling conditions. These stereotypes can often block upgrading and advancement of older workers relatively early in their careers. Second, older workers who desire alternatives to the traditional full-time work situation may find that viable opportunities are limited. This is particularly relevant for those near retirement age. And, third, the older worker may present dilemmas for the employer in terms of a more limited future career as well as differential costs of employment associated with age. These considerations can arise very early in the worklife of the mature worker and tend to grow more significant with age.

The barriers to the employment of older workers constitute the necessary background for understanding the programmatic responses of private-sector employers. Before looking more closely at

the programs themselves, we briefly consider each of these general sources of problems.

Of the three general areas, negative stereotyping may be the most pervasive in its effects on hiring, job assignment, and promotion. Although advancing age unquestionably results in some physical changes, there is considerable uncertainty about the extent of these changes and the age at which they are likely to occur. Individual variation within age ranges is so great that it is difficult to make meaningful statements about the relationship between age and competence or productivity.[2] Any assessment of age-related decrements in ability should distinguish between differences observed in laboratory test conditions (e.g., diminished hand-strength or stamina; more cautious decisionmaking behavior) and their implications for ongoing work performance. The variations observed between older and younger persons in the clinical studies tends to be relatively subtle so that the differences are not a good prediction of actual job performance.[3]

In hiring, explicit age limits have been used in the past to streamline the hiring process, as a surrogate for a more individual assessment. More recently, the passage of the Age Discrimination in Employment Act [ADEA] has resulted in a dropping of explicit criteria, but variations on blanket age limits are often substituted to achieve the same goal. For example, an employer who advertises for a claims adjuster with "3 to 5 years of experience" is implying a particular age. The specification is not directly age-related, but the effect is the same.

The impact of stereotypes goes beyond the hiring decision to other aspects of personnel administration, such as job assignment, promotions, and training. Even employers who express strong support for age-free personnel policies may unconsciously allow age stereotypes to limit opportunities for training and promotion of older workers.[4] Older workers often find that there is little management support for changing assignments to expand their competence and contribution within the company. This is particularly problematic if failure in a new assignment may eventuate in termination.[5] The lack of incentives for change can lead to significant career slippage and its attendant demoralizing effects.

The second general area of concern for older workers is the opportunity for part-time employment, either as a transition to retirement or as an ongoing work pattern. Theories of life-cycle economic behavior and the results of surveys suggest that many individuals desire a reduction in work hours as they grow older.[6] But employers often resist establishing part-time employment because of two concerns. First, they may anticipate higher labor costs, particularly for employee benefit costs. Second, the logistical difficul-

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[2] Doering, Mildred, Susan R. Rhodes, and Micahel Schuster, The Aging Worker (Beverly Hills, CA: Sage, 1983), pp. 85–89.

[3] Root, Lawrence S., "Older Workers: Problems and Potentials," Institute of Gerontology, The University of Michigan, 1981.

[4] Rosen, Benson and Thomas Jerdee, "Too Old or Not Too Old." Harvard Business Review, 55:97–106, 1977.

[5] Boyack, Virginia L., "The Older Worker: The Nation's Most Neglected Resource," Generations: The Journal of the Western Gerontological Society, 6(4):5–6, 75, summer 1982.

[6] Davis, Thomas, "Toward a National Policy on Older Worker," Aging 313, 12–19, 1980.

ties associated with changes in the organizational structure may inhibit the development of part-time work options.

From the point of view of the employer, there may be some sound business reasons which work against the employment of older workers. The older person may present disadvantages which are not a function of age stereotypes, but, rather, reflect the employment situation of the company. Age is associated with somewhat higher employee benefit costs. This has become increasingly important as employee benefits have grown to be an integral part of the income security picture of most Americans.[7] Although this is often balanced by other factors (e.g., lower turnover rate, the specific skills of the older worker), it may be an area of concern, particularly for the small employer for whom the addition of an older worker may, in fact, alter the costs of group insurance.[8]

Another aspect of the employer's perspective may be career expectations for the job. Employers often consider the occupants of entry-level positions as the pool for promotion into higher levels of responsibility within the firm. Older workers often are not thought to be likely candidates for such advancement and, as such, are less attractive as new hirees. A similar dynamic can influence employers to overlook middle-aged and older workers for training opportunities. Even when employers accept the fact that older workers can learn new skills, they may feel that it is not cost-effective to target training to those who have a shorter expected future life with the company. This is often true despite the fact that training a 50-year-old who stays until retirement may be more economical than training a young worker who soon leaves for another job.

Combining the perspectives of both older workers and employers, we can envision situations in which the needs of the two coincide and other situations in which they don't. The analysis presented in this report identifies the areas in which corporate approaches have been developed and suggests those that have received little attention. With the problem areas in mind, we turn to the assessment of private-sector intiatives.

## NOWIS AS AN ILLUSTRATIVE DATA BASE

Our analysis is based on the National Older Worker Information System [NOWIS], a computerized system designed to collect information about company-based programs and practices for older workers. It offers a resource for employers, unions, and other groups who are interested in using the skills and experience of older workers.

NOWIS consists of two basic elements: a set of narrative summaries of programs and practices operated by private-sector employers and a computerized retrieval system for identifying those summaries relevant to the particular interests and concerns of the user.

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[7] The importance of employee benefits and their relation to governmental programs is developed in Lawrence S. Root, Fringe Benefits: Social Insurance in the Steel Industry, Beverly Hills, CA: Sage, 1982. For an analysis of the role of pensions in the economic situation of aged households, see Lawrence S. Root and John E. Tropman, "Income Sources of the Elderly," Social Service Review 58 (September 1984): 384–403.

[8] For a discussion of this, see Lawrence S. Root, Employee Benefits and an Aging Workforce, project report submitted to The Travelers Companies, Institute of Gerontology, The University of Michigan, 1984.

The summaries contain information about the organizational context and the company's experience with the program or practice. The computerized retrieval capabilities of NOWIS permit identifying program/practice narratives on the basis of type of industry or business, size of company, geographic location, the nature of the program or practice, and/or the type of work force affected (e.g., unskilled, skilled, clerical, professional).

Building the NOWIS data base involved a two-stage process of identification and verification of company programs and practices. In the first stage, an extensive review of relevant literature was undertaken, drawing upon periodicals and books in the fields of gerontology, industrial relations, and human factors engineering. These materials were augmented by articles from newspapers and popular magazines that referred to specific company programs. In addition, letters of inquiry were sent to more than 80 national organizations interested in issues of age and employment, requesting the names of companies with innovative approaches to older-worker employment. These included professional and trade associations, organizations engaged in research on older workers, retirees' clubs, and placement agencies specializing in older workers.

One reason for the letters was to uncover what might be termed "invisible" programs—programs that do not find their way into the published literature. In the literature and in responses to our inquiry, a few programs—characteristically, programs of large corporations with articulate and activist personnel departments—were cited repeatedly. However, our direct contacts with companies and private-sector organizations revealed many more examples of programs-practices which, while less visible, were applicable to a wide variety of employment situations.

The initial identification phase of data collection was followed by telephone interviews to verify, expand, and update the information available in the literature. Priorities were established to direct the efforts of this more intensive and time-consuming second stage of data collection. After a number of months of telephone interviews, programs were selected more purposefully in order to build the range of our program examples. Types of programs that were already well represented in the NOWIS data base (e.g., part-time employment for retired clerical workers) were given a lower priority than those for whom there were few, if any, examples.

The telephone interviews served two additional purposes. First, the contacts frequently led to suggestions of other company programs that were not represented in the literature. In this way we added approximately 50 programs to the 250 identified in the first stage of the project. The second contribution of the telephone contacts was to alert the staff to problems associated with using the secondary literature. Followup phone contacts revealed that much of the published material on specific employer programs is fragmentary, outdated, and occasionally inaccurate. Because of the problems associated with unconfirmed information we limited NOWIS to those employment programs/practices for which we had direct information from telephone interviews with those responsible for the programs.

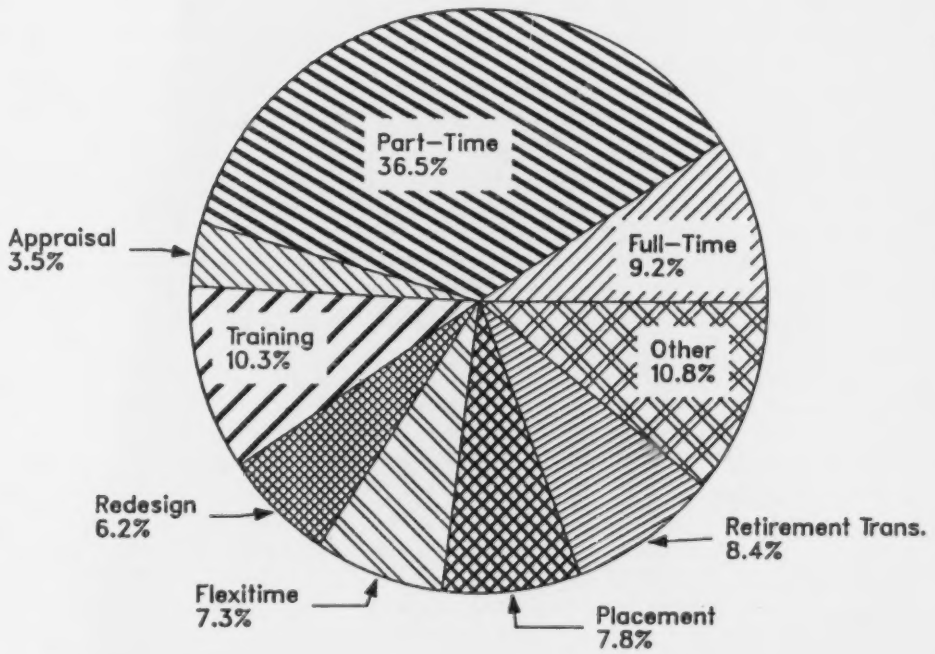
The NOWIS data base, as of September 1984, included 180 companies, representing 369 programs/practices. Three-quarters of the

companies reported one or two approaches (or separate work groups involved). About one company in 10 reported four or more different programs.

The types of programs represented in NOWIS are displayed in figure 1. Hiring for part-time employment accounts for over one-third of the programs. Most often, these part-time employment practices focus on older workers who are of retirement age, although they also provide models applicable to others who might be interested in working less than full time.

Figure 1

## Program Types in NOWIS




Hiring older workers for full-time jobs is not as frequently seen in the company examples. Most often, such programs involve employers who are searching for particular skills which are in short supply. In other cases, older workers are specifically sought because of other characteristics of their work behavior.

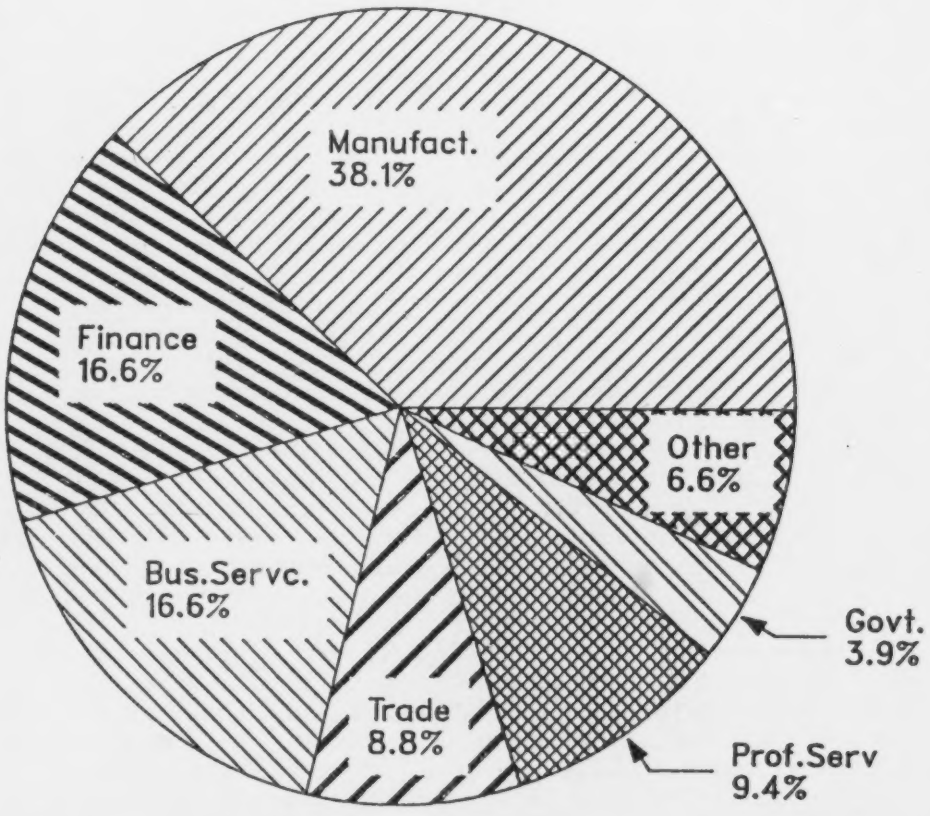
Training examples make up 10.3 percent of programs. Usually these training programs are not specifically targeted to older persons, but have particular relevance for them. Placement is represented in almost 8 percent of the examples. This tends to be the activity of free standing organizations, rather than taking place within a larger company. Programs intended to provide a transition to retirement make up 8.4 percent of the total. Job redesign, either through physical redesign of the workplace, change of job

structure and responsibilities (e.g., job sharing), and flexible scheduling together account for 13.5 percent of the programs. The balance of the programs involve appraisal systems for employees and for jobs and a variety of other programs which do not easily fit into the other categories (e.g., incentive plans to retain workers, transportation programs to facilitate commuting of older workers).

The NOWIS data base includes a range of industry types (see figure 2). Manufacturing is most frequent—38.1 percent of the NOWIS examples. These settings include heavy industries, high technology producers, and manufacturing subcontractors (e.g., packaging specialists).

Figure 2

## Industrial Mix in NOWIS




Finance, particularly banking and insurance, is the second most often represented type of business (16.6 percent). These programs/practices tend to apply to clerical or other nonexempt white-collar positions, although other work groups may be included.

Business services (including personnel placement and a variety of consultation services) also constitute 16.6 percent of the total. Among these are many examples of placement programs which are freestanding. The consultants may use retired professional or managerial personnel to offer highly specialized business support services.

Wholesale and retail trade accounts for about 9 percent of the companies. Characteristically, these companies use older persons for part-time sales, although there is some variation in approach. Professional services (9.4 percent) address a variety of health, education, and welfare needs. In addition, governmental programs and a variety of other industrial classifications make up the remaining 10.5 percent.

Most of the companies represented are medium or large. Almost three-quarters have more than 500 employees and over one-half of that group have more than 5,000 employees.

An understanding of the nature of the programs developed by the private sector demands a closer examination of the specifics of the types of programs observed. This provides us with a more accurate picture of the nature of private-sector initiatives and the instances in which they have been applied.

## HIRING FOR PART-TIME AND FULL-TIME EMPLOYMENT

NOWIS contains a variety of part-time placement arrangements. Among the most common are employment pools which are used to meet temporary personnel needs. The Travelers Companies, for example, instituted a retiree pool after a company survey revealed that many former employees would like to continue working on a part-time or occasional basis. Companies report that use of their own retirees significantly reduces the startup time required by temporary replacements. In other settings, such pools may be made up of retirees from other companies. Continental Illinois Bank and Trust represents such an approach. The majority of its "ready work force" consists of workers over 50 and the retiree members tend to come from other companies.

Some companies have altered their production scheduling in order to draw upon the availability of persons wanting part-time employment. Sterile Design, for example, established "minishifts" to accommodate those interested in working less than full time. Besides older workers, their approach has had particular relevance for others seeking part-time positions (e.g., parents with responsibility for dependents, students).

Another common approach is the rehiring of former employees on a project basis. Such positions may be part time or full time. For example, Aerospace Corporation has found that its own retirees bring an invaluable "institutional memory" to a project. Other companies also have formally and informally rehired their own retirees for just this reason. Often, however, pension rules may interfere with the reemployment of former workers. In some cases, rehiring can result in the cessation of pension benefits. To resolve this difficulty, companies have used intermediaries as the employer of record or developed contractual relations with the retiree rather than directly hiring him or her. When faced with having to rehire

its own retirees under less advantageous terms than those for retirees of *other* companies, Atlantic-Richfield chose to reexamine its pension structure and modify its terms to avoid this anomaly. For other companies, similar pension changes may be a necessary step in developing a plan to rehire retirees as part-time or full-time workers.

Older workers are often hired for full-time employment when they possess particular skills that are in short supply. In such cases, the issue of age is secondary to the demand for specific abilities needed for a job. This situation has given rise to a variety of de facto relationships between companies. For example, Catalytic,[9] a Philadelphia-based construction firm specializing in energy production facilities, has found that retirees from larger companies are a good source of personnel for its construction projects. At times, the success of early retirement options for local companies such as Sun Oil in nearby Radnor has been partly attributable to the knowledge that companies like Catalytic are currently hiring petroleum engineers.

Not all employers select older workers merely because of their availability for part time or temporary assignments or because particular skills which are in short supply. Some companies hire older workers for positive characteristics associated with age. Great American First Savings Bank in San Diego, for example, reports that hiring some older tellers has served to stabilize its work force in the sense that turnover has been greatly reduced. Western Savings and Loan in Arizona has found that many of its older employees appear to relate better to older customers and therefore has actively sought older persons for jobs as tellers and in customer relations.

In summary, a variety of employers have found it beneficial to employ older workers in three general situations: first, when they are willing to work on a part time or temporary basis; second, when they possess particular skills which may be in short supply; and third, when the particular characteristics of older persons contribute to the productive environment of the company.

## TRAINING

Training decisions in the workplace can result in particular problems for the older worker. With age comes the greater likelihood that skills are outdated and the worker may become increasingly unable to function effectively in a changing technological environment. Employers often exclude middle-aged and older workers from training opportunities because they believe that older persons are less able to learn and they fear that training an older worker is not cost-effective because of the shorter potential payback period before retirement.

The NOWIS data base reveals few private-sector training programs specifically oriented to older workers. Training programs tend to be open to all ages, but some are clearly more appropriate for middle-aged and older workers and, therefore, included in

[9] With the exception of Catalytic and Tektronix, the companies described in this overview are included in the company summaries.

NOWIS. For example, Crouse-Hinds, a manufacturer of electrical construction materials, has a training program oriented specifically toward building management skills of foremen. This tends to apply to a somewhat older audience than some of their other more general training programs. The company also has developed educational opportunities for those nearing retirement who wish to develop second careers or other interests. Second career training or retirement preparation is found in the training opportunities offered by a number of companies. Pitney Bowes has a tuition reimbursement program for employees and their spouses over 50 years old. Courses are covered through the first 2 years of retirement.

Among the training activities developed at Control Data in Minneapolis is a midcareer correction program, designed to encourage effective career planning among its employees. This short course provides a tool for rethinking the role of an employee within the company and offers an alternative to looking outside the company for new personnel talents to meet particular needs. This human resources version of "preventative maintenance" can prolong the productive life of a valued employee when the demands for personnel change.

Some companies report short-term training programs oriented toward those who are returning to the workplace after a lengthy absence (e.g., displaced homemakers). For example, both Kelly Services and The Travelers run short courses in word processing primarily for older persons, to introduce the principles of modern computerized text-handling. Texas Refinery has instituted 2-day seminars for the older workers hired as sales representatives.

## TRANSITIONS TO RETIREMENT

Companies have created a variety of approaches to building transitions to retirement. Often these take the form of a reduction in hours during the year or two preceding retirement. Most programs use a form of part-time employment as the primary device of creating the transition. "Phased retirement," however, can have a variety of manifestations, with different arrangements for remuneration and employee benefits. For example, Varian Associates tends to use a reduced workweek, while at Polaroid workers may reduce hours per day, weeks per month or make a variety of other arrangements. Polaroid also has devised a "rehearsal retirement," a leave of absence for up to 6 months without losing one's right to a job. The worker has an opportunity to experience retirement without making an irreversible decision about terminating employment.

Phased retirement can serve several purposes within the company. For some workers, phasing out can speed up the retirement process, inducing a partial retirement prior to the time when a full retirement would be taken. In other cases, phased retirement serves to retain the worker when he or she would otherwise have taken full retirement. There are also benefits to the company itself. The phaseout period can provide a more orderly internal transition for the company, permitting the gradual training of the retiree's replacement.

In addition to phased retirement, companies allow a variety of "personal growth" or "social service" leaves (e.g., Wells Fargo and Xerox). Although not designed to be the actual start of retirement, these leaves enable a person to explore options for post-retirement activities.

## JOB REDESIGN AND FLEXIBLE SCHEDULING

Changes in productive technologies and changes in the nature of the work force suggest that the structure of jobs should be reexamined periodically. Job redesign involves altering the physical environment, changing the associated job responsibilities, or rethinking the scheduling of work.

Although NOWIS contains illustrative examples of each of these approaches, they are more heavily weighted toward the latter two, with few examples of systematic physical redesign. Of those examples of physical redesign identified, all are ad hoc responses to the situation of particular individuals. Tektronix, in Beaverton, OR, provides a good example (although not targeted to older workers). This firm has undertaken a variety of approaches to accommodate the needs of workers with disabilities and, in general, has found that the cost of specialized equipment is more than balanced by the positive impact on productivity and morale of retaining a valued employee.

Control Data has also created innovative approaches to the structure of the employment setting. Besides being an early user of flexible scheduling, the company has instituted "flexiplace"options. These jobs usually involve computer operations carried out by individuals with disabilities, who work in their homes through telecommunication with the office.

The potential of offsite employment through telecommunications has received some interest as a means to accommodate the conflicting demands of family and employment responsibilities as well as to create options for those with disabilities. There are, however, some disadvantages with home-based work. The social aspects of the workplace are lost and those working at home may be overlooked for promotions or new assignments. There also may be the variety of problems which we traditionally associate with "cottage industries," the constant encroachment of work on the home environment and the traditional very low pay involved. It is interesting to note that computer service bureaus have taken offsite work to its next logical step by exporting home-based work to countries with lower labor costs. Keyboard chatter late into the night is replacing the buzzing of sewing machines as workers abroad shift from apparel piecework to data entry.

Another form of job redesign is the redefinition and structuring of jobs. Job sharing, for example, involves the splitting of a job into separate parts in order to accommodate the available skills and interests of workers. Many instances of part-time employment are referred to as job sharing, but it is useful to separate the simple dividing of hours of an existing job from a more comprehensive rethinking of the basic responsibilities and activities involved.

Job-sharing programs may be particularly relevant to older workers, but the examples identified do not tend to be age-based. In

NOWIS, there are examples of the splitting of jobs into two parts, most commonly dividing the day, but also working alternating months (e.g., Minnesota Title Financial Corporation).

The Wichita Public Schools developed a job-sharing approach for teachers, specifically seeking to capitalize on the experience of older teachers by pairing them in a shared teaching responsibility with younger teachers. They found, however, that teachers tended to pair with others with whom they had more in common and this led to the selection of partners around their own age. One of the intended benefits of the program, then, was lost because of the voluntary nature of the pairing.

## PROGRAMS FOR OLDER WORKERS: THE MISSING ELEMENTS

The NOWIS data base illustrates a variety of approaches taken by the private sector to enhance employment opportunities for older workers. In general, the company examples are evidence of the value that many companies place on older workers and, as such, exemplify the contributions older persons can and do make. If we think of the range of employment problems associated with age, however, these personnel practices tend to address a very specific subset. Particular groups of workers and programs assume the lion's share of attention while the situation of other older workers is noticeable only in its absence. For example, there is a disproportionately high representation of programs for clerical workers—particularly for part-time arrangements. On the other hand, older production workers, a major segment of the older working population, tend not to be the target of programs. Some examples exist of regularized attempts to reassign workers if their physical capacities decline (e.g., Stouffer's use of ergonomic testing of muscle strength), but they are few and far between.

Employment problems associated with age are by no means universal. The most extreme examples of the problems of age and employment affect only a minority of older workers. For most, aging may be associated with some negative work experiences and it also may bring greater security and responsibility. But for those who *do* experience difficulties, such as the inability to find a job after a layoff, the effects may be shattering. Private-sector efforts address some problems of older workers, but many of the most troublesome remain untouched. Public policies and programs in this critical area demand a realistic assessment of what can and cannot be expected from private-sector initatives. Only in this light can appropriate and responsible roles for public-sector programing be created.

# Part 2

# SELECTED COMPANY SUMMARIES

The following represent a selection of company summaries from the National Older Workers Information System (NOWIS). For a listing according to the program type represented, the nature of the industrial context, and the type of work force covered, see indexes 1 through 3. The company summaries follow in alphabetical order by company name.

## THE AEROSPACE CORP.

### Problems/Improvements Addressed

Need for expertise of highly skilled older professionals, especially engineers.

### Summary

A variety of options for hiring and retaining older workers, including special vesting provisions and rehiring of retirees to work reduced schedules.

### Description

The Aerospace Corportion, a nonprofit company based in Los Angeles, CA, was established in 1960 as a federally-funded research and development center. It conducts engineering (no manufacturing) for national security programs. Aerospace has 4,200 employees, half of whom are engineers and scientists. The company's product is general systems engineering and integration and, more specifically, satellites and launch vehicles for defense purposes, primarily for the U.S. Air Force. This involves research, design, and technical support to national security agencies, technical monitoring of major associate contractors who build satellites and vehicles, and flight results analysis.

Although Aerospace has never had a formal policy of mandatory retirement, there were policies, practices, and incentives encouraging employees to retire at age 65 or younger. Conforming to California State law which abolished mandatory retirement and in response to a "healthy growth" in demand, Aerospace changed these policies in January 1978. As a result, 2 percent of the work force has remained that might have left under previous policy limitations.

The project-oriented nature of Aerospace's work results in the need for intensive work periods and often involves travel to test sites. These factors tend to make continued employment less attractive for some older workers. On the other hand, continuity on

long-term projects and the value of an "institutional memory" makes the continued employment of older workers a very desirable feature from the point of view of management.

In 1982, the company had 47 full-time regular employees who were 65 years old or older; the oldest of this group was a 70-year-old engineer, who was hired at the age of 68. These workers 65 and older are in jobs at all levels, ranging from engineers and scientists to office, service and shop workers.

The company also hires its own retirees as consultants. In the fall of 1982, there were 35 consultants who formerly held executive, management, administrative and technical positions with the company. They have been used for solving technical and engineering problems and in training programs. For example, in 1980 the company had an extensive recruitment program which required that managers interview unprecedented numbers of applicants. To handle the problem, a team of retired managers designed and implemented a special "Employment Interviewing Training Program." A retired senior executive has also designed and developed a course in aerospace engineering for use by the company.

In addition to hiring retirees as consultants, Aerospace also has retirees or near-retirees who work in two other capacities—"casual" status and part time. Six retirees, primarily office, shop, and service personnel, continue to work in "casual" status while receiving pension benefits, and two retirement age professionals are working part-time schedules as a transition to retirement.

Aerospace operates an extensive training program. Although not so targeted, older workers are often participants. In general, there are two types of training. Management training (particularly useful because of the policy of promotion internally which moves engineers into managerial positions) is one form of training. Technical training (for example, systems engineering) is the other aspect. In addition to a variety of full-time tuition reimbursement plans, Aerospace supports "short-term educational assignments." These individualized educational plans allow an employee to design a series of special studies—including academic and nonacademic approaches—which may last from 90 days to 6 months. During that time, the employee receives his/her normal pay as well as reimbursement for educational expenses. Recently, a 55-year-old engineer designed such a program in order to study the feasibility of wind-generated power sources. Although the short-term educational assignments are not extensively used (perhaps two per year), they provide a model for possible use in a variety of situations.

Aerospace's retirement plan is a qualified noncontributory defined benefit plan. Benefits which accrue for each year of service are approximately 2 percent of annualized earnings on the first working day of the year. Employees become eligible to participate after 1 year of service, partially vested after 5 years and fully vested after 7. However, there are special vesting provisions for older workers. Participants aged 55 or over who are terminated due to reduction-in-force are eligible for accelerated vesting, calculated by employee's age and years of service. Partial vesting can be given with as little as 1 year of service and full vesting is given any employee age 55 to 65 who is laid off because of a reduction-in-force. All employees, regardless of service, are fully vested at age

65. Aerospace's retirement plan does not exclude from participation employees hired at any age, although ERISA permits employers to deny pension plan participation of employees hired within 5 years of the company plan's stated retirement age.

Employees working beyond 65 also continue to accrue retirement benefits. A recent improvement in the retirement plan allows retirees to work a reduced workweek while receiving retirement benefits. Beginning in 1981, retirees classified as "casual employees" (meaning less than 20 hours a week or 1,000 hours a year), continue to receive full pension benefits while phasing into retirement. The company's retirement plan committee includes one member who is a retired employee.

The company also began a modified flexitime program in 1981.

## AMERICAN TELEPHONE AND TELEGRAPH: BELL LABORATORIES

### Problems/Improvements Addressed

Need for training and continuing education.

### Summary

AT&T Bell Laboratories offers a variety of educational and training opportunities to its employees.

### Description

Bell Laboratories, located primarily in New Jersey, is the research and development arm of AT&T, the largest telecommunications company in the Nation.

Bell Labs is committed to the continued education and training of its employees. Opportunities ranging from graduate study to business skill development are available. Among training opportunities most relevant to older workers is the Continuing Education Program.

The Continuing Education Program offers courses designed to foster the professional excellence of all technical and administrative employees. Courses at the graduate and undergraduate levels are taught in-hours and after working hours by AT&T Bell Laboratories staff members and local university faculty. Courses in the areas of pure and applied sciences, engineering, transmission, switching, and computer science provide employees with an understanding of present and emerging communications techniques. They also offer courses designed to improve basic business skills, such as effective writing, oral presentation, accounting and budgeting, and English as a second language.

The Continuing Education Program offers many highly specialized advanced courses not generally offered in the academic community. The program also includes courses to acquaint professionals with relevant communications technologies other than their own and introductory courses to accommodate the needs of those entering new fields. Course formats range from short workshops to semester-long courses. Self-paced courses are also available in individualized learning centers, which contain study carrels for convenient private use of video and audio tapes, notes, and workbooks.

Each year, approximately 500 courses are offered, with over 12,500 student completions.

Of the courses presently offered, one that has particularly appealed to older employees is a computer science series. It involves six courses of 30 hours each (each course meets 2 hours a week for 15 weeks, much like a university course). It is designed so that employees with physics and chemistry backgrounds, for example, may be retrained in software technology. Upon completion of the entire series, participants earn the equivalent of a graduate-level degree. Classes are conducted in Massachusetts, in Ohio, and three locations in New Jersey, with 65 people in each class. Exact numbers of older workers involved are not available.

Of the nearly 500 courses offered, 35 percent are taught by Bell Laboratories employees. From surveys and information obtained during periodic luncheons designed for this purpose, the group supervisor has found that many older employees are interested in teaching. These employees are concentrated in engineering fields and typically teach such courses as AT&T engineering. All employees who teach or take classes receive time off during their regular work hours to participate in continuing education opportunities.

To take a course, an employee simply registers, with his/her individual supervisor's permission. This insures that the supervisor knows the employee will be away from the job a certain amount of time each week. All courses are taken on a pass/withdrawal basis. Withdrawals are not recorded in employee files.

Although no programs or courses at Bell Labs are specifically designed for older employees, many courses appeal to older employees with 2-year and 4-year degrees, as well as to those with master's and Ph.D degrees.

In addition to the Continuing Education Program, AT&T Bell Laboratories offers its employees the following educational opportunities: Graduate Study Program, Law School Program, On-Premises Accredited Programs, Internship Assignment Program, and tuition reimbursement involving study in universities, technical institutions, and vocational schools.

## ATLANTIC-RICHFIELD CO.

### Problems/Improvements Addressed

Greater flexibility needed for the reemployment of company retirees.

### Summary

In addition to eliminating mandatory retirement and improving employee benefits for those over 65, Atlantic-Richfield has developed a new policy which permits the rehiring of their own retirees for both temporary and permanent job assignments without loss of ongoing pension benefits.

### Description

Atlantic-Richfield, with corporate headquarters in Los Angeles, CA, is a major petroleum company, employing approximately 54,000 people. In addition to eliminating mandatory retirement at

any age (except for some union contracts which specify a retirement age of 70), Atlantic-Richfield has redefined its retirement plan to permit credit for employees working beyond age 65.

Atlantic-Richfield has a wide variety of flexitime options. For the most part, workers on flexitime programs tend to work around a core 6-hour period, adjusting the balance of their day on an individual departmental basis. The flexitime programs vary within the company, with primary responsibility vested within the departments.

Atlantic-Richfield management has instituted a policy change designed to facilitate the rehiring of retirees. Until recently, internal policy prohibited the employment of retirees who were currently receiving pension benefits. This concern with "double-dipping" resulted in a variety of approaches to employing retirees who had critical skills needed in current operations. For example, company retirees could be hired as independent contractors or through third-party employers. Under the new plan, retirees from Atlantic-Richfield are hired in the same manner (and with the same benefits) as others. This means that the retirees continue to receive pension benefits and, in fact, increase their pension benefit levels through continued employment. Although the program applies companywide, it is anticipated that it will be used primarily by those with critical skills (for example, geologists, geophysicists, systems analysts).

This policy change is seen as a part of an ongoing commitment to older workers. Company representatives suggest that the motivation for developing options for older workers has gained impetus from recognition of the changing demographics of the work force. The company believes that in the coming years it will be more and more dependent upon the successful utilization of older workers.

## AVANTI MOTORS

### Problems/Improvements Addressed

Need for skills, experience, dependability, and dedication of older workers.

### Summary

The company traditionally hires and retains older workers.

### Description

Located in South Bend, IN, Avanti Motors is a small manufacturer of high-quality, hand-built automobiles. Its 124-person work force is predominately blue collar. The company employs two engineers and a variety of skilled workers, such as assemblers, painters, upholsterers, and test drivers. Avanti has no mass production practices; it takes up to 3 months to finish a car that costs $25,000 to $30,000.

The management depends on the contributions of older workers. According to their personnel manager, "They are on the job every day; they are meticulous and dedicated, taking pride in their work." As of October 1982, Avanti reported the following age distribution of its employees:

| Age: | *Number of employees* |
|---|---|
| 45 to 49 | 50 |
| 50 to 59 | 45 |
| 60 to 69 | 25 |
| 70+ | 4 |

Among the employees over 70 were a 75-year-old who worked part-time and a purchasing agent who is 82 years old. He was hired in 1965, immediately after his retirement from another automobile company.

The company has no pension coverage. Health insurance, which is partly covered by Avanti, is the same for the entire work force, including those hired after age 70 for part-time work to supplement their Social Security income.

## BANKERS LIFE AND CASUALTY CO.

### Problems/Improvements Addressed

Better utilization of older workers.

### Summary

Bankers Life, which has never had a mandatory retirement age, maintains a retiree pool for hiring temporary employees. In addition, it has hiring and employee benefit practices that encourage continued employment for older people.

### Description

Bankers Life and Casualty Company, with assets over $1 billion, ranks in the top 2 percent of insurance companies. It has a work force of 2,700 in the home office and 2,000 in the field. Approximately 73 percent of the employees are female. Located in northwestern Chicago, Bankers Life has attempted to retain a "small business" orientation to management.

Bankers has had a history of neutral employment practices since its beginnings as a company. They have never had a mandatory retirement age. Their main office is located in a mixed residential/commercial neighborhood, a fact that is associated with their emphasis on retention of older employees. Easy access to the workplace (i.e., many walk to work) has encouraged employees to stay on beyond normal retirement age. Approximately 3 percent of the office workers in the home office are over 65. Employees who work beyond 65 enjoy the same benefits, including pension accrual, as younger workers. Company officials report that the cost liability for employee benefits does not appear to be higher for older workers than for younger ones. In fact, workers compensation costs have been observed to be lower.

In addition to retaining employees on the job, Bankers Life has had a history of hiring persons over age 50. The company also instituted a temporary workers pool in 1979, through which its own retirees can work at their own convenience on a temporary part- or full-time basis, primarily in clerical positions. Wages vary with the particular job, but the average in 1983 was about $5 per hour. No benefits are involved, although they continue to have group health insurance through their status as retirees. This program originated

with the implementation of preretirement counseling. In the course of developing a program, retirees were interviewed about what should be included, and many indicated an interest in part-time employment. Although managers were initially reluctant to draw upon this resource, an early experience with a group of such temporary employees, who performed excellently with little advance preparation, became a practical example, and the word spread among managers. During its first year of operation, the temporary workers pool saved the company over $10,000 in agency fees, as well as obviating the need for time-consuming orientation. Recently, economic factors have decreased the use of the temporary pool; however, during busy periods as many as 15 to 20 temporary employees of the approximately 50 in the pool have been employed.

## CONTINENTAL ILLINOIS BANK AND TRUST CO.

### Problems/Improvements Addressed

Need for temporary and permanent part-time employees; need for training of employees.

### Summary

The company has a temporary work force and a number of permanent part-time positions. It also offers in-house training classes and tuition reimbursement for classes taken elsewhere.

### Description

Continental Illinois Bank and Trust Company [CIBT], headquartered in Chicago, IL, is the sixth largest bank in the United States. It has 9,700 employees, 8,200 of whom are in Chicago. The company also has offices in Florida, California, Texas, Puerto Rico, and Latin America. In the late 1960's, CIBT established its own temporary work force, called the ready work force [RWF], composed of 420 workers of all ages; 50 percent are over the age of 50. Membership in the RWF is available to retirees from CIBT although the majority are former employees of other organizations. Employees in the RWF typically work 1 to 2 days a week, primarily (80 to 90 percent) in clerical assignments; however, the following schedules are also periodically available: (1) three 8-hour days per week, (2) flexible short hours 5 days a week, (3) 12 8-hour days per month, and (4) flexible hours Saturday and Sunday only. Some of these schedules are only available in specific divisions; other schedules apply only to specific jobs which may or may not have openings at any given time. Work scheduling is flexible in that if a retired employee on Social Security earns the maximum allowable income, he or she may discontinue working for the remainder of that year and resume the next year. Employees in the ready work force are paid on an hourly basis and receive no benefits except for accidental death insurance.

According to a company spokesperson, the RWF has been highly successful for both the workers and the bank. These employees are dependable, produce high quality work, and serve as an excellent source of personnel for the bank. The RWF is attractive to many

individuals who desire temporary part-time employment and flexible hours.

In addition, CIBT has a number of permanent part-time positions. Through the use of Operation ABLE, 72 older workers were hired into these positions in 1981. These employees also tend to be placed in clerical positions.

Within the company itself, manpower training development classes are available for both new and old employees. Training is offered in areas such a clerical, typing, managing personal growth, and communications. These classes are available to all employees. Numbers of participating workers are not available. CIBT also has a tuition reimbursement program wherein employees receive 100 percent for job-related classes.

## CONTROL DATA CORP.

### Problems/Improvements Addressed

Need for workers with special skills, elimination of rigid work schedules, and utilization of productivity of homebound people.

### Summary

Control Data Corporation offers permanent and temporary part-time positions, flexible scheduling, flexible workplaces, and rehires its retirees on a short-term basis.

### Description

Founded in 1957, Control Data Corporation, headquartered in Minneapolis, MN, produces, distributes, and services large, scientific-oriented computers. It also provides financial and small business support services, including leasing computers and selling computer time to customers. Ranked fourth in the country in its field and 143rd in The Fortune 500, the corporation has $4 billion in sales annually.

With plants throughout the world, the corporation employs more than 50,000 people. In 1981, 1,000 employees nationwide retired from the company, 175 from the home office. This figure is low because the company is still young. Recognizing the growing importance of retirement issues, Control Data is presently involved in a citywide steering committee, affiliated with the Minneapolis State Board of Aging, which is focusing on these issues. Although still in the planning stages, Control Data is preparing to add a number of new programs, including phased retirement and a more formalized system of rehiring its retirees.

Control Data was one of the first users of flexitime in the United States. Since it was first introduced in 1972, flexitime has been extended to most employees. The number of days worked per week is not flexible, because government contract work allows employees to work only 8 hours a day before giving them overtime. Starting and quitting times are flexible, however, as long as the core hours between 10 and 2 are included.

Control Data also has a "flexiplace" policy, which involves alternate work sites. Originally designed in 1980 to permit disabled employees to work at home, flexiplace is now recognized as having po-

tential for homebound older workers. Text editing and other computer-related tasks are accomplished on terminals placed in the home. Employees work at home on both a part-time and full-time basis.

Control Data has three practices by which they hire older workers, including rehiring their own retirees. The first involves rehiring retirees on a consultant basis. They are hired for special projects, such as providing retirement and career counseling.

A second practice involves "Control Data business advisors," a division within Control Data composed of employees who are hired as independent consultants by other companies and sometimes by Control Data itself. This group includes many retirees who were in mid-level management or technical fields. According to a company spokesman, it is the exception rather than the rule for retirees at the executive and managerial level not to have a tie-in with the company after their retirement. "Control Data business advisors" in many respects serve as a pool of part-time employees, as well as a vehicle through which the company rehires its retirees. In the preceding two practices, retirees are paid on a short-term contract basis and their salaries are dovetailed with their pensions. Although no numbers are available, it is the company's goal to offer all employees continued employment in some capacity.

A third practice involving older workers is the use of "temps," which is a company pool of temporary part-time employees, a number of whom are retirees. The pool was established because there are periodic surges of activity for which an increased clerical and unskilled work force is required. Contrary to widely held beliefs that these arrangements can be problematic in terms of recruitment and training, Control Data has found that the benefits of having a pool of temporary part-time employees far outweighs the costs. The workers are task-oriented and highly productive. Recruitment has also been found to be relatively easy, since the local labor market of older persons, homemakers, and students may be tapped.

Control Data Corporation also has a permanent part-time work force. In 1980, the number of such employees reached 5,000, with 25 percent in professional level occupations. All part-time employees, including those working at home, receive most of the same services as full-time employees. Other benefits include prorated vacation, holidays, and retirement credits. The services include eligibility for personal loans, employee stock purchase, payroll savings, recreation activities, etc. Employees working over 900 hours a year are eligible to participate in the company retirement plan—100 hours less than the minimum set by ERISA. They are also eligible for a catastrophic medical plan and life insurance.

Control Data Corporation also offers a fully-paid social service leave to all of its employees to encourage them to become involved in the community. Although not specifically designed for older workers, it may be valuable to those workers considering community activities prior to retirement. To be eligible, an employee must have been a full-time employee for 2 years, plan to work for a nonprofit organization in the community, and plan to return to work following the leave. Employees may apply for up to 1 full year of leave. Salary and benefits remain the same during the leave. The

leave tends to be used by younger employees who want to see what it is like working for a nonprofit organization as compared to a for-profit company. The older workers who have participated have tended to do so out of a strong personal commitment to some organization. Examples of the kinds of leave taken include one older worker who started the statewide Minnesota Association for Families of Individuals with Alzheimer's Disease, a man who established a fire department in the small community where he lived, and a woman who worked as a counselor in a home for battered women. Since the program was first offered in 1977, 55 employees have participated. Five have been over the age of 50. In any 1 year, a maximum of 15 people may be on leave, due to budget constraints. In 1981, for the first time there were more applicants than openings, which is a sign of its increasing popularity. Applications are completed on a first-come, first-served basis.

The company also offers an unpaid leave of absence program called "time off without pay," whereby employees may take from 30 days to 1 year off and return to their same jobs or a similar one. It was designed in part to alleviate some of the pressure on the company from the economy and also to offer employees time to pursue outside interests more fully. Although unpaid, employees continue to receive benefits. Several employees have pursued their interests in farming; others have built houses, and the like. Each year approximately 1,000 employees have participated, and of these, roughly 100 have decided not to return. Older workers do participate, but the exact numbers are not available.

Control Data presently offers a variety of training and retraining opportunities and has plans to expand these. In the company 5-year plan, completed in November 1982, one goal was to expand an internal life planning and education system, using both computerized and personalized delivery, so that by 1984 it will be available to all employees 55 years and older and by 1987 to all 45 and older. Since 1980, a mid-career course correction program has been offered to professional exempt employees 30 to 55 years of age. Designed by a group from both 3M Company and Control Data, it is a 3-day course which includes a book entitled "The Inventures: Excursions in Life and Career Renewal." The course is based on the premise that employees sometimes need a career change; the company would prefer to help employees find new careers within the company rather than recruit new employees. A frequent sequence of retraining is from design engineer to systems person to personnel manager. A number of employees also transfer laterally within the company in order to gain new perspectives. The company's emphasis on retraining is also based on the finding that employees who seek early retirement often want a career change.

In August 1983, the company began to offer 12 to 18 hours of retirement planning at a cost of $500,000. The three-part program will include an individualized computerized course designed so that the greatest possible number of employees can be reached (including those in remote locations), a 1-day course, and an ongoing group discussion which will follow up on the other sections of the program. The company anticipates that support groups will evolve out of the group discussions, which will continue after retirement. This program will be available to the roughly 1,000 employees na-

tionwide who retire each year. Ultimately, the company plans to have a phased retirement program based on the Swedish self-directed system. The major premise of the system is that employees should be in control of their own retirement and should decide how and when they want to ease into it. Presently, the program is in a fledgling stage.

## CORNING GLASS WORKS: RESEARCH AND DEVELOPMENT DIVISION

### Problems/Improvements Addressed

Need for expertise of retirees, gradual retirement, and flexible scheduling; interest in further education.

### Summary

The company offers flexitime, a gradual retirement option, part-time employment for retirees, tuition reimbursement, and paid and unpaid leaves of absence.

### Description

Corning Glass Works, headquartered in Corning, NY, is a large manufacturer of glass and ceramic products for industrial and consumer use. Since 1978, it has diversified into technically-related fields. The company has approximately 30,000 employees worldwide. In 1980, the personnel department of the Research and Development Division of Corning Glass Works implemented a flexitime program. Although the flexitime program was not conceived as a program for older workers, a relatively large proportion of the work force of the division is in their 50's and older and the average age is 44. The program, implemented originally on an experimental basis, included a 4-day workweek alternative, in addition to flexible hours within a 5-day model.

Implementation of the plan began with three departments of the R&D division: biochemical research, technical services, and consumer product development. The ground rules for each of the three were different, because they were negotiated separately by the personnel department and each of the three department managers. For example, core hours were slightly different in each of the three departments. All of the departments allowed debit and credit hours in the workweek, required a minimum lunch period (30 minutes), and left timekeeping unchanged (an honor system was used in which employees record their own hours on a posted schedule). When needed, managers could change the schedules. Based on surveys before and after the trial period, response to the flexitime program was positive except for the 4-day workweek alternative which was therefore eliminated. The program was then expanded to include the entire Research and Development (R&D) Division.

In 1982, Corning Glass announced a phased retirement option. Known as the "40-percent work option," it was made available to certain salaried professionals chosen by management. Those selected were given the opportunity to retire and collect their pension, and at the same time return to work at 40-percent time (or 2 days a week). They would be paid 40 percent of their preretirement

salary. They would also continue to receive full medical benefits, prorated vacation benefits, and earn merit increases on a prorated basis. Their life insurance benefits would be reduced, as they are for all retirees, one-third at the time of retirement and another one-third reduction over the next 5 years. To qualify as a potential candidate for the "40-percent work option" program, an employee must be 58 years old, have at least 20 years of service with the company, and must be in a job that will not require his or her being replaced by adding anyone else to the payroll. Employees selected for the program at age 58 may continue in it for up to 4 years (or age 62), when all participants are eligible for Social Security. Those who enter at age 60 may continue for only 2 years. The program was established for two reasons: as a means of controlling labor costs and as a way of allowing long-service employees to phase into full retirement. Of the 3,800 salaried domestic management and professional employees in the company, 50 were selected, and 30 elected to participate in the program.

Corning Glass Works also has a tuition reimbursement program available to all company employees in the United States. Reimbursement is based on grades received, with employees receiving 100 percent for an A or B, 75-percent reimbursement for a C, and 50 percent for a D. Employees must either be enrolled in an approved degree program or take job-related courses for reimbursement. Most courses taken are in technical areas or business administration. Although evening courses are preferred, employees are permitted to take off up to 4 hours per week during the workday to attend classes. In 1982, 1,190 employees took courses, all of which were taken outside of the company during that year. All age groups participated.

Since the mid-1960's, Corning Glass Works has offered its employees paid and unpaid educational leaves of absence. Employees granted unpaid leaves are typically enrolled in full-time programs. Their jobs or similar ones are guaranteed upon their return. They continue to accrue service time and have the option of continuing group medical insurance on their own. This type of leave must be approved by the division head and a representative from the Educational Leave Program.

In 1982, approximately 30 employees utilized paid educational leaves of absence. Two types are offered: those in which tuition is reimbursed and those in which tuition is reimbursed and two-thirds salary is paid. Paid leave of absence must be approved by the employee's supervisor and the company's education review board. Although age breakdowns of participants are not available, employees in their mid-30's and early 40's seem to make the most use of this opportunity.

On a selective basis, Corning Glass Works rehires its retirees to serve as consultants. Those rehired tend to be professionals with unique skills needed by the company. They are hired on a contract basis and may work up to 40 percent of the time. Their remuneration is based on their preretirement salary. The practice of hiring retirees has been used more in the R&D laboratories than in the other units of the company. Of the approximatly 400 professionals in the lab, five or six are consultants who are rehired retirees.

Occasionally nonsalaried retirees, such as clerical support workers, are also rehired, but due to pension stipulations, they cannot be rehired directly by the company. Instead, they are hired through a local temporary employment agency.

## CROUSE-HINDS

### Problems/Improvements Addressed

Better utilization of the skills of older people through training.

### Summary

Crouse-Hinds Electrical Construction Materials (ECM) traditionally had no mandatory retirement age. Active training efforts are undertaken to provide continuing employment opportunities for workers of all ages.

### Description

Crouse-Hinds (ECM) headquartered in Syracuse, NY, is a major producer of electrical construction material products. Employing approximately 1,800 people in its Syracuse location, it manufactures a variety of general and specialized products for secondary electrical distribution systems, particularly explosion-proof products designed for use in hazardous and nonhazardous locations. As a result of recent mergers, they are now a subsidiary of Cooper Industries, which employs 30,000 people.

Crouse-Hinds is involved in a variety of training activities for their employees and for retirees. Participation is open to all those in the work force; during 1983, more than one-third of the work force participated in training programs. Although training programs are targeted without regard to age, several provide examples of their particular applicability to the situation of older workers:

—A tuition program for retirees who wish to attend college, taking courses for general interest or for second career preparation.

—Training for changing technologies (e.g., use of automated machines for production) which frequently enrolls workers in their 40's and 50's;

—A two year college course was designed to professionalize management skills for foremen; the program began in May 1983 and several of the participants, in a class of 18, were over 50

The company has an ongoing commitment to training and to the continued employement of older workers. It believes that assessment is critical and that the key component of success is the enthusiasm of the participant and the encouragement of instructors.

## FOCUS: HOPE MACHINIST TRAINING INSTITUTE

### Problems/Improvements Addressed

Shortage of skilled machinists.

### Summary

Retired journeymen machinists train low-inome, young men and women as machinists.

### Description

Focus: HOPE is a Detroit-based civil and human rights organization. In November 1981, Focus: HOPE established the Machinist Training Institute to combat the high unemployment rate and the critical shortage of skilled machinists in Southeastern Michigan. Focus: HOPE's program employs retired machinists as teachers. The institute, which is fully integrated, is located in the EX-Cell-O Corporation's former flagship plant in Detroit, which has been renovated by grants from the Department of Health and Human Services. Training costs are paid chiefly by government grants; businesses and foundations have also contributed generously. So far, most students have come from among the unemployed. A self-paced instructional method is used. The institute has more than 200 machine tools, many of them manufactured during the 1940's. Some up-to-date computer-controlled equipment has been added. As of August 1984, the institute had produced 166 graduates. Demand from employers has been strong. More than 45 companies have hired graduates. A large increase in enrollment is planned for 1984–85, and more teachers will be needed. Instructors are paid modest salaries, though some have donated their pay to the program. Retirees work 2½ days each week. Although participation time is scheduled to avoid Social Security problems, continuity in instruction has not posed a problem. Initial concerns about problems of continuity and retirees' stamina were also unfounded.

To date, instructors have included five men 55 to 60 years old, 10 in their 60's, and another six in their 70's. The oldest is now 79. The retirees's great experience has made them an excellent resource, and they have worked very well as instructors.

## F. W. DODGE CO.

### Problems/Improvements Addressed

Need for reliable people to gather data on a part-time basis.

### Summary

The company preferentially hires older workers to gather data on a permanent part-time basis.

### Description

F. W. Dodge Company, a McGraw-Hill Information Systems Company, is a construction news service, providing information about ongoing building projects. The regional office located in Mission, KS, coordinates materials gathered in Oklahoma, Kansas, Missouri, Nebraska, southern Illinois, and western Tennessee.

Until recently, F. W. Dodge hired temporary part-time workers to transfer data from completed building permits at government building offices onto forms supplied by F. W. Dodge. Because temporary workers were not always dependable, the company rede-

signed the jobs as part-time permanent positions and decided to recruit retirees. F. W. Dodge contacted agencies on aging in various States to get information about retiree organizations, and retirees were then recruited through these organizations.

The response to the company's search for older workers was extraordinary; 90 percent of the available positions in approximately 120 municipalities were filled by retirees with an average age in the 60's. The permanent part-timers were hired as "outside permit representatives"—sub-contractors for piecework.

Individuals can work from three to four times a month and up to four or five times a week, depending upon the municipality in which they are located. The prerequisites for the job are good basic communication skills, legible handwriting, dependability and mobility. The pay for a single job is $27 and workers can earn up to $200 a month, depending upon the number of jobs they do. The workers are sent monthly checks for their services; no employee benefits are involved. According to a regional manufacturing manager, some of the retirees are working not so much for the money but, rather, because of a desire to be active in the community and to have contact with people. At one location, there were 20 applicants for one position.

Having individuals working on a permanent part-time basis costs the company a little more, but management finds that it is able to keep more accurate records for budgeting purposes. The older workers have proven more reliable and the quantity and accuracy of the data gathered have increased. F. W. Dodge Company is very pleased with its retiree work force's efficiency and dependability.

## GENERAL DYNAMICS/CONVAIR DIVISION

### Problems/Improvements Addressed

Need for method of recording employees' physical abilities and limitations for job assignment purposes.

### Summary

The company has a coding system for recording the physical abilities and limitations of employees. This system enables the company to make appropriate assignment and transfer decisions.

### Description

CONVAIR, located in San Diego, CA, is a division of General Dynamics, which has its headquarters in St. Louis. Its main business activity is the manufacture of aircraft equipment, including the Cruise and Atlas Missiles and the BC–10 fuselage. CONVAIR has a work force of 9,000 to 10,000 employees, 5,000 of whom are unionized hourly workers. Seven different unions are represented in the work force.

Because of the physically demanding nature of some of the jobs in the plant, CONVAIR has established a coding system which indicates employees' physical abilities and limitations for use in considering assignment and transfers. The system is designed to prevent employees from being assigned or reassigned to positions in which they cannot perform at their optimum.

In the 1950's and early 1960's this system was used in conjunction with a job coding system, in which every job was coded with a minimum physical requirement code; employee codes were then matched with job codes. The job code component of the system was eliminated in the mid-1960's, however, after determining that the employee coding system was sufficient and efficient.

The coding system is applied to all employees, but has its greatest utility in the placement of plant workers. One example of how the system operates is a color-blind employee who has a code reflecting this limitation in his file. He was initially placed in a position where color recognition was not relevant and later reassignments were also made with this in mind. If new conditions arise which affect an employee's physical abilities, the code is updated. This procedure is especially useful for older workers. As jobs become too physically demanding, the vast majority of the affected employees request reassignments. These requests are honored, and the coding system helps determine the appropriate reassignment.

## GENERAL ELECTRIC CO.: AEROSPACE ELECTRONIC SYSTEMS DEPARTMENT

### Problems/Improvements Addressed

Need to update skills of long-service engineers to meet change in design technology.

### Summary

"Technical Renewal Program" to bring older engineers up to level of design expertise of recent engineering graduates.

### Description

General Electric Company's Aereospace Electronic Systems Department, located in Utica, NY, specializes in the design and development of airborne electronics for missiles, aircraft, and space vehicles used by the military. The department has 3,000 employees, of whom 900 are in engineering. The engineering staff includes about 400 engineers, 95 technical specialists (exempt), technicians, draftsmen, and support personnel.

In 1977, the department established a special "Technical Renewal Program" for long-service engineers whose skills had become outdated by the dramatic change in design technology caused by the shift from analog to digital technique in the electronics field. The program was a logical extension of company policy which favors continued education for its employees.

During its 3 years of operation, the Technical Renewal Program involved about 235 engineers, some of whom took two or three of the nine courses offered. The average age of the participants was about 45, with almost 20 years of service with the company. Individuals were selected for participation by their subsection managers.

Many of the courses were developed and taught by graduates of the advanced course in engineering, General Electric's intensive 3-year, graduate level training program in electrical, mechanical, and nuclear engineering. For example, one of the courses, which

was the equivalent of three college credits, was 12 weeks in length, and the participants spent half the workday in class and half at their regular jobs.

Of those chosen to participate, very few individuals did not successfully complete the program. A followup done to insure that managers were using the new skills showed that over 70 percent of the participants were immediately moved to new assignments in new project areas, and even those who did not apply the new skills in their positions were able to interact more effectively with others because of information gained in the courses. Since 1977, some participants have been promoted, although that was not an immediate outcome of the program. Initially resistant to retraining, many participants were pleased with the courses, and as of 1982, about 50 percent of the older engineers (now over 50 years old) who participated in the Technical Renewal Program have continued on their own initiative to take courses offered by the department.

Although the Technical Renewal Program ended in 1980, when the need for a concentrated skills updating effort was fufilled, the department does operate an in-house Continuing Engineering Education Program. In that program, new courses are offered every year on an after-hours basis. Course curriculum is heavily influenced by an education advisory council composed of representatives from each engineering product line and marketing, thus meeting the needs of the new product areas. Most of the courses are taught by employees. The courses are publicized through a booklet of course offerings sent to every employee in the fall and spring. Anyone is eligible to take courses in the Continuing Engineering Education Program, with the consent of their manager.

The Continuing Engineering Education Program has benefited from the special Technical Renewal Program, because it has increased employee interest and participation. Since 1977, when 150 to 200 employees participated in 10 to 15 courses a semester, the program expanded to 700 participants and 28 courses a semester in 1982 and has remained at this level since that time.

With projections showing that 42 percent of the engineering sections professional staff will be eligible for normal retirement (age 62) within the next 10 years, efforts are now underway to work out a program of skills retention. Currently, key employees are being urged to develop and teach courses, and work with younger engineers to insure that vital skills are not lost when they retire.

## GEORGIA POWER CO.

### Problems/Improvements Addressed

Need for weatherizing of the homes of older citizens.

### Summary

This utility company pays senior citizens to weatherize other seniors' homes.

### Description

Georgia Power Company, with seven divisions and over 12,000 employees, is the major utility company in Georgia. The general

office headquarters in Atlanta has a work force of approximately 3,000.

In 1982, the customer education department initiated a program entitled "Lending a Helping Hand." Through this program, senior citizens are hired and trained to weatherize the homes of other seniors. The program serves two groups of older people differentiated by income level.

The first group receiving the weatherizing service consists of older individuals of all income levels. To qualify, they must be at least 65 years old, Georgia Power customers, and own and live in their homes. Rental property is not serviced by the program. The contractors who perform the weatherizing must also be 65, and own a car and personal insurance. They are trained in weatherstripping, calking, and other insulation methods. The training includes an initial 2-day program and additional sessions every 3 to 4 months to update information and techniques. When a customer calls Georgia Power for the service, a contractor is informed. The contractor arranges the service time with the customer. Georgia Power pays the contractor $6 per hour. The customer receives the service free of charge.

The second group receiving these services consists of customers who are below the poverty line and who typically require more extensive weatherizing of their homes. This often involves major insulation in addition to the more routine calking and weatherizing. The Office of Energy Resources and the Office of Economic Opportunity (EOA) jointly fund the insulation costs and Georgia Power pays the rest. Individuals eligible for the services are identified by EOA through an ongoing program, since they often do not know about or initiate the assistance themselves.

Georgia Power's Atlanta division includes six districts and about 40 contractors, 75 percent of whom have been in the program since its inception. The racial balance of the contractors is approximately half white and half black. None of the contractors are retirees of Georgia Power itself. In the entire State, there are approximately 80 contractors. In 1983, 8,226 homes were serviced statewide through the "Lending a Helping Hand" Program. Between 200 and 300 of the homes belonged to individuals below the poverty level. Georgia Power, which has conducted a number of energy conservation programs throughout the State, publicizes the "Lending a Helping Hand" Program in newspapers and church bulletins.

According to the customer education supervisor, the contractors seem to enjoy their jobs and are diligent and reliable workers. Although the company encourages contractors to discontinue working during the summer months, some continue to work during the summer. As a group, they tend to be very safety conscious. They are asked to work in teams of two and are not supposed to climb up to second-story windows.

Customers say that they are pleased with this service and enjoy forming new friendships with the contractors. The contractors are frequently "wined and dined" by their clients. The positive response provides an ancillary benefit in terms of the company's relation with their users.

## GREAT AMERICAN FIRST SAVINGS BANK

### Problems/Improvements Addressed

Rapid turnover in entry-level positions.

### Summary

Recruitment of older workers and promotion of equal hiring opportunities.

### Description

Great American First Savings Bank is a statewide financial institution headquartered in San Diego, CA. Having experienced tremendous growth in recent years, it lists assets over $5.8 billion and has a work force of over 2,000.

Concerned about rapid turnover in entry-level positions, traditionally filled by 19 to 25 year olds, the personnel department began recruiting older workers at the local College of Emeriti, a unit of San Diego City College. Following this initial recruitment effort, word-of-mouth referrals encouraged additional older applicants.

Although there was support from upper and middle management for this innovation, a few line level staff and branch bank managers had to overcome their misconceptions and stereotypes of older workers. As the older employees proved their value in the workplace, acceptance grew, as did hiring opportunities. This acceptance was vital to the program because branch bank managers make the final hiring decisions when given a range of applicants. Internal training programs assist managers in developing an appreciation of older workers, thus overcoming obstacles to hiring a balanced work force. In 1982, 318 of the bank's 2,164 employees were older workers.

Seventy-five percent of the older workers are hired into entry-level positions, and there has been a dramatic drop in the turnover rate in these jobs. Most work part time, usually under 30 hours per week. Scheduling is flexible. All employees accrue vacation time and receive free banking services and discounted interest rates. Employees working 30 or more hours a week receive health insurance.

As in the case of any employee with physical limitations, personnel makes a special effort to accommodate older employees with such limitations (e.g., offering desk jobs rather than positions requiring hours of standing). New employees are evaluated after the first 6 months of employment. Future reviews are granted annually.

## GRUMMAN AEROSPACE CORP.

### Problems/Improvements Addressed

Maintaining a work environment that enhances equal opportunity and promoting employee development.

## Summary

The company rehires retirees for full- and part-time positions. It provides a free job exchange service to people 55 or over, a diversity of training program for older workers, and a preretirement planning program.

## Description

Headquartered in Bethpage, NY, Grumman Aerospace Corporation, with $1,759,000 in assets, has subsidiaries across the country and a work force of 28,000. As of August 1982, 65.9 percent of the company's total work force were over age 40 and 55 percent were over age 45. In addition to aerospace operations, business activities include data services, solar energy, fusion energy, buses, truck bodies, yachts, and boats.

Grumman rehires retirees without age limitations. Such employees work either full time on a temporary basis, usually for not more than a year, or part time, so that earnings will not affect Social Security benefits. The retirees are returned to the payroll as "job shoppers" and continue to receive company pension benefits. Retirees are recruited in several ways: a department requests an individual by name; the personnel director sends letters to retirees inquiring about their interest in returning to work; or information about job opportunities is advertised through the company's retirees club.

Since the early 1970's, retirees have been rehired for positions ranging from engineers, writers, editors, buyers, and inspectors to mechanics, machinists, and security guards. An average of 175 to 200 retirees, ranging in age from 55 to over 70, are employed in any given year. According to management, returning retirees are immediately productive without requiring training time. Their experience is an asset to the company and their efficiency and enthusiasm serve as examples to young employees. Grumman has also been actively involved in the "Ability is Ageless" job fair in Nassau County, which provides free employment services to people 55 or over who are seeking full- or part-time work.

The company provides a variety of training programs to encourage the career development of employees, many of them especially favorable to middle-aged and older workers. Among these are the mid-career training programs, the management development courses, professional development courses, and voluntary education courses. An overall total of 2,556 employees participated in 125 training courses. These were divided as follows: 603 employees participated in 32 management development courses; 1,181 employees participated in 52 professional development courses; and 772 employees participated in 40 voluntary education courses. In addition, there are three special programs for women: the professional awareness workshop, the women's responsibility training center and the leadership strategies for women programs. Approximately 85 women participated in these programs. These programs involve updating skills, retraining, defining career goals for those returning to the work force after raising a family, and developing new skills through on-the-job training. The company's performance appraisal program and its recent extension, the management invento-

ry appraisal system, are used to assess career development needs and to design new training programs.

In 1977, Grumman started a Preretirement Planning Program on a pilot basis. It has since become a regular benefit, provided to employees at ages 55, 60, and 65 to help them make an informed decision about the timing of their retirement. Participants receive a module consisting of two customized and updated cassettes and a workbook on the psychology of retirement and benefit plans for retirees. After a 2-week study period, they and their spouses meet with a panel of representatives from the Social Security Administration and from the company's legal department and credit union, who answer their questions about retirement options. Grumman employees also receive a personal statement of benefits each year, prepared by a firm of independent consultants in Baltimore, MD. The report summarizes health and life insurance, disability income, and survivor's benefits, as well as various pension options. Estimated monthly retirement benefits are itemized by age at retirement. All benefits continue until age 70. Pension accumulation stops at age 65, but pensions increase each year due to actuarial factors associated with the decreased anticipated benefit period.

## HASTINGS COLLEGE OF THE LAW, UNIVERSITY OF CALIFORNIA

### Problems/Improvements Addressed

Need for capable, experienced legal educators.

### Summary

The college hires retired professors from other law schools as faculty members.

### Description

Founded 1878, Hastings College of the Law, located in San Francisco, CA, functions as a semiautonomous unit within the University of California educational system. It is one of the three largest law schools in the country, with approximately 1,500 students.

In the early 1940's, World War II created a shortage of teachers. Hastings was operating on a limited budget but wanted to improve the quality of its staff by hiring "academic" lawyers with long-term university experience. Since Hastings had no mandatory retirement age, Dean David Snodgrass offered positions on the school's faculty to law professors who were being forced to retire from other institutions. In this manner, Hastings added to its faculty a number of distinguished legal educators. In fact, for some years after 1948, Hastings did not hire any full-time faculty members under the age of 65. These older professors retained their pensions from all previous employment and, in addition to receiving salaries, could participate in Hastings' TIAA–CREF (Teachers Insurance and Annuity Association of America-College Retirement Equities Fund) Plan.

As a group, the annuitant appointees became known as the "65 Club." In the academic year 1951–52, for example, they provided almost 70 percent of all instruction at Hastings. Until the academic

year 1971-72, the "65ers" provided at least 50 percent and occasionally as much as 90 percent of the instruction.

In 1982, Hastings faculty consisted of 48 full-time faculty members, 13 of whom were members of the "65 Club." The two eldest members were 80 and 81 years old, while the remainder were in their 70's. The course loads of these older professors varies, ranging from first year classes to specialized seminars. According to the academic dean, they are considered a mainstay of the college.

## INTERTEK SERVICES CORP.

### Problems/Improvements Addressed

Providing clients cost-effective quality assurance consulting services.

### Summary

Intertek is a personnel service that utilizes retired professionals for quality assurance assignments.

### Description

Founded in 1973, Intertek Services Corporation, with corporate headquarters in Rolling Hills, CA, uses retired and semiretired quality control engineers and inspectors to work as quality assurance representatives for client companies. Although most of Intertek's original clients were in the aerospace field, customers now include other high technology industries as well as manufacturers of commercial products.

Among the companies which have used Intertek are Amtrak, Bendix, Boeing, Chrysler, Comsat, Eastern Airlines, Ford, Itek, Litton, Lockheed, Martin Marietta, Raytheon, Remington, Rockwell, Samsonite, and TRW. Services performed by Intertek representatives include preaward surveys; monitoring manufacturing, assembly or special processes; expediting and troubleshooting. According to Intertek's vice president, it is cost-effective for companies to use Intertek representatives rather than their own personnel for such assignments as hardware inspection at suppliers' locations, since customers are charged only for the time the representative is in the plant. With additional offices in Fairfax, VA, and Houston, TX, Intertek is able to cover any area of the country with a representative of suitable experience. In fact, representatives may have previously worked with the vendor. The company is also developing a worldwide presence, with offices in Europe and two offices opening in the Far East.

Representatives are recruited through professional journals, such as Quality, and word-of-mouth. Individuals are screened and their credentials checked before they are included in Intertek's registry. There are no fees charged. Currently, the registry includes over 4,000 representatives with an average age of 57 and 25 to 30 years experience in quality control engineering, purchasing and expediting. Age is not a factor in placement and some consultants are in their 70's.

Representatives work as independent contractors who are offered assignments which they may choose to accept or decline. They bill

Intertek on a time and expense basis twice a month and Intertek sends the invoice to the customer. The arrangement works well for retirees, who like the idea of working part time, and for Intertek and its clients.

## KELLY SERVICES, INC.

### Problems/Improvements Addressed

Need for skilled workers of all ages for temporary assignments in client companies.

### Summary

Kelly Services, Inc., temporary help services, has a work force that includes many older and retired workers. Some training is provided.

### Description

Since 1946, Kelly Services, Inc., with corporate offices in Troy, MI, has offered a variety of temporary services through its five divisions; Kelly Girls, Marketing, Light Industry, Technical, and Health Care. While best known for secretarial services, Kelly offers such skills as drafting and engineering through its technical division, clerical and nursing skills for hospitals and in-home care. Kelly Services has over 450 offices nationwide and abroad (Puerto Rico, England, and France), and hires approximately 350,000 employees a year.

With a continuing high demand for temporary workers, Kelly maintains an ongoing recruitment and retention effort. A special recruiting effort is directed toward older workers and retirees because they often prefer the flexibility of part-time and short-term assignments. For example, many of those in the technical division are retirees who return to work on a temporary basis in the companies from which they retired. Kelly Services also has small groups of older persons who prefer to work together in groups doing inventories once or twice a year.

Temporary work provides a way for women to reenter the job market after years as homemakers. In addition to advertising for specific skills through newspapers, Kelly also works through clubs, churches, and adult education programs in schools. Groups may use temporary employment through Kelly to raise funds for specific projects.

Kelly evaluates new employees and reevaluates all employees periodically. A 1-day course designed for women returning to work and referred to as the "class of 202," evaluates and rebuilds typing, shorthand, and dictaphone skills. The title of the course is derived from the Stenoflex System 202, a machine which plays tapes from which the typist types.

Kelly also provides a simplified generic training program to teach word processing operators how to run a typical text-editing machine. The course consists of two parts. The first involves familiarizing individuals with generic functions of text-editing equipment through use of video and audio tapes and workbook exercises. The self-paced program takes approximately 4 hours to complete.

The second part of the program, called "Guided Discovery Learning," is carried out at the site where the temporary will be working. This part of the course, which takes about 2 hours, is designed to acquaint the individual with the customer's text-editing equipment through use of a workbook containing step-by-step instructions. The new word processing training program, was initiated in June 1983, with the goal of training 25,000 word processing operators in its first year.

Kelly Services, as the direct employer, handles payroll and paperwork for client companies who are billed for the service. Although a flexible workweek can be arranged, employees are expected to work a standard 8-hour day. Benefits, such as vacation pay, vary from city to city. In some areas with critical skill demands, such as for word processing, accounting or bookkeeping, bonuses may be offered.

## KOLLMORGEN CORP.: ELECTRO-OPTICAL DIVISION

### Problems/Improvements Addressed

Transition to retirement: volunteer service to the community.

### Summary

In the year prior to retirement, employees are entitled to a number of paid days off to participate in community activities.

### Description

Kollmorgen Corporation is a large manufacturer of precision optical instruments. It has two headquarters: one in Hartford, CT, and one in Stamford, CT, as well as 10 domestic divisions and five foreign subsidiaries. Its work force at the Electro-Optical Division in Northampton, MA, consists of 610 predominantly skilled workers.

The preretirement community service program was initiated in 1981 by the vice president of human resources at the Northampton division. During the last 12 months of employment, Kollmorgen employees are permitted to reduce their days of work and to donate volunteer service to the community, while receiving full pay and benefits. The preretirement year is divided into four quarters. During the first quarter, the employee works 4 days a week at the company and 1 day at approved volunteer service, consisting of a minimum of 3 hours work. Each quarter, an additional workday is dropped and an additional volunteer service day is added. In the last quarter, the employee works only 1 day a week at the company and 4 days on volunteer service. The arrangements made by the participant are subject to the approval of the industrial relations office. It is mandatory that the volunteer work be performed for nonprofit, nonpolitical, and nonreligious organizations. The program is open to regular, active, full-time employees eligible for retirement, ie., age 62 to 70, who have completed 10 years of service. It provides a transition to retirement not only by reducing work hours, but also by opening new areas of interest and activity that can be pursued in the retirement years, benefiting the retiree as well as the community.

Kollmorgen has an age-neutral hiring policy. Occasionally, the company needs to rehire its experienced retirees, but since the union regulations restrict rehiring on a part-time basis, such cases are negotiated individually.

As of October 1982, the Northampton division had 12 office employees over 60, including a 68-year-old professional who had 42 years of service with the company. In the factory, there are over 200 older workers, half of whom are highly skilled. Two 65-year-olds have chosen to stay on, but most of the factory workers prefer to retire at age 65.

Four people participated in the program in 1981. In 1982, there was one participant. Mandatory retirement age is 70. Pension benefits are based on years of service at age 65. No additional monthly amount is paid for the years worked after 65.

## MINNESOTA TITLE FINANCIAL CORP.

### Problems/Improvements Addressed

Need for messengers and couriers; need for summer replacements.

### Summary

The company has a job-sharing program wherein employees work alternating months as messengers. Workers are hired as full-time couriers. The company also rehires its retirees as summer replacements.

### Description

Minnesota Title Financial Corporation, a nationwide title insurance company, celebrated its 75th anniversary in 1982, having been founded in 1907. Headquartered in Minneapolis, MN, Title Financial Corporation has a nationwide work force of approximately 1,000; 320 are employed at company headquarters. The company is licensed to do business in 42 States, with 17 branch office locations.

Minnesota Title Financial Corporation has a developed job-sharing program involving older workers who work in pairs. Most work 1 month on and 1 month off, although they also have the option of working a half month on and a half month off. They make either as interoffice messengers or as "foot messengers" who pick up and deliver to downtown law firms and financial institutions. Most are retired workers from other companies; one employee, for example, was a bank officer who had a heart attack and wanted a low-stress job. As of November 1982, there were 30 older workers in these positions thoughout the country. Their mean age is 67. The oldest in this group is 83.

According to the corporate director of personnel, these employees have been a great asset to the company. They tend to be dependable, committed, and enthusiastic about their jobs (one man has been on the job for 15 years). The turnover is extremely low. These workers tend to be a closely-knit group and look after one another; if one person is sick, the others pitch in and take care of his route; normally the other half of the team will work an additional 2-week shift. They make their own job-sharing arrangements, deciding

on either a month or a half-month schedule. Workers are paid on an hourly basis negotiated so that Social Security benefits are not affected. The title insurance industry typically has little turnover. Involving historically-based work, in which technical expertise is required, employees such as examiners and abstracters often serve the company for many years. Approximately 30 to 40 percent of the work force are over 50.

In addition to the benefits of continued employment, these workers reportedly appreciate the low-stress nature of the job, the opportunity to see many people, and the exercise. Very little recruiting is done; in fact, there is usually a waiting list of older workers seeking these jobs.

Having seen how successful the interoffice messenger and foot messenger programs have become, the company established its own courier service in 1982 to serve its customers. Prior to that time, an outside service was used at a cost of $130,000 annually. The company bought its own cars and hired retired postal workers to deliver documents to the company's different accounts in the Minneapolis-St. Paul metro area. These employees work full time and receive the same benefits as other full-time employees. In spite of additional customer stops, special pickups utilizing voice activated paging devices, vehicle maintenance, and employee supervision, the cost to the company, compared to the cost of an outside courier service, results in savings in excess of 15 percent.

Company retirees are also rehired on an as-needed basis. They are usually hired as temporary summer replacements. Most of the positions involve technical or clerical support. They are hired at the usual wage for the position and receive no benefits. There are presently about 20 such employees throughout the country.

## MUTUAL OF NEW YORK

### Problems/Improvements Addressed

Need for prospective retirees to become accustomed to more leisure time and to have time to explore other activities.

### Summary

A preretirement leave program is available to all full-time employees 64 years or older who have worked for the company for at least 10 years. The program consists of one paid day off a week for the 52 weeks prior to normal retirement (age 65).

### Description

Mutual of New York, with headquarters in New York City, is an international life insurance company that was founded in 1843. Of its nearly 8,500 employees, 4,600 are salaried office employees and the rest are career field underwriters.

The preretirement leave program, known as "hobby days," was instituted in the early 1970's. It is offered to all full-time salaried office employees over the age of 64 with at least 10 years of service to the company. Based on the belief that people who are about to retire need to become accustomed to having time off and need to explore other activities, it consists of one paid day off a week for

the 52 weeks prior to retirement. Workers may take off any day of the week but are encouraged to take off Monday or Friday. The specific details of an individual's leave are arranged with the worker's supervisor.

To be eligible for this program employees must give a 1-year notice of their plan to retire. Two-thirds of the employees retire prior to age 65 and are not eligible. On the average, 15 to 20 people are eligible for the program each year. All eligible employees have chosen to participate. To assist employees in planning for retirement, Mutual of New York meets with its employees on an individual basis 14 months and again 3 months prior to retirement. The first session focuses on information regarding the company's pension plan and benefits while the latter is intended for decisionmaking regarding the actual date of retirement, and the other details.

In addition, the company offers a post-career planning program periodically which includes discussion of psychological and medical issues related to retirement as well as discussion of Social Security, financial management, and company benefits. An outside consultant conducts the 2-day group program and 6-month followup session which is geared toward monitoring progress of individual planning.

## PITNEY BOWES

### Problems/Improvements Addressed

Preparation for retirement and updating job skills.

### Summary

The "Retirement Educational Assistance" Program provides tuition reimbursement for classes of general interest or second career preparation. The "Educational Assistance" Program provides full tuition reimbursement for courses taken toward an academic degree.

### Description

Headquartered in Stamford, CT, Pitney Bowes U.S. Business Systems is a major manufacturer and marketer of mailing, copying and facsimile equipment, with 100 branches in every major city in the United States and abroad. The company, an operating unit of Pitney Bowes, Inc., employs about 15,000 people.

Retirement educational assistance is open to all employees and their spouses over age 50. It consists of tuition reimbursement for academic or nonacademic courses up to $300 a year for each person, continuing for 2 years after retirement. Participants are entitled to a maximum of $3,000. Reimbursement is included in the paychecks of participants who present their receipts and evidence of satisfactory course completion.

The program was initiated by employee relations in 1978. Implementation was approved by senior-level management and taken over by retirement administration. Since 1979, the program has been described in the company's yearly benefit booklet.

Employee response has been increasingly enthusiastic. The total number of participants has grown from 21 in 1978 to 196 in 1981,

the latter including 109 employees, 63 spouses, 15 retirees, and 9 spouses of retirees. The amount paid by the company was $2,403 in 1978, $25,552 in 1981, and $46,715 in 1983.

Courses taken include real estate, travel agent, secretarial and business training, financial planning, auto repair, photography, woodwork, sewing, cooking, etc., leading to potential second careers and/or additional income opportunities in the retirement years.

In addition to the Preretirement Educational Program, general educational assistance is open to all employees regardless of age and consists of full tuition and expenses reimbursement to those who take academic courses to earn a degree. The program was initiated by management in response to employee needs. Training for a changing technology has become important, since the company's production has changed from mechanical to electronics.

Participants in the program included exempt, nonexempt, clerical and secretarial employees, as well as 10 to 15 percent of production workers. The number of people involved has increased from over 680 in 1981 to 900 in 1982.

"We are a people-oriented company that has various unique programs to support that statement. We feel these two programs emphasize our commitment to preparing employees for personal development during their working careers and beyond," said the director of employee relations.

## POLARIOD CORP.

### Problems/Improvements Addressed

Need to retain expertise of older workers and to provide a transition to retirement.

### Summary

The company offers a variety of retirement options, including rehearsal retirement and tapering off. An Extension Review Program is designed to permit employees to remain on the job beyond age 70, and retirees are rehired on several different bases.

### Description

Polaroid Corporation, headquartered in Cambridge, MA, is a large multinational manufacturer of instant cameras, film, and related products, with annual sales totaling over $1.3 billion. Polaroid has a work force of approximately 11,000 in the United States, concentrated primarily in Massachusets. In addition to distribution centers and sales offices in other States and abroad, the company also has manufacturing plants in Scotland and Holland. About one-third of the company's employees are in professional exempt positions.

Polariod has never had mandatory retirement. In the 1950's, the company operated an Extension Review Program that permitted employees 65 and over the opportunity to continue working; the majority of requests were approved. After passage of ADEA in 1978, the request system, which no longer applied to those under 70, was extended to individuals 70 and over.

Polaroid's flexible retirement policy allows individuals to retire as early as age 55 or to continue working beyond 70 through the Extension Review Program. Of the approximately 1,700 employees who have retired since the 1950's, about 60 percent have retired before age 65, 20 percent at 65, and 20 percent after 65. Employees who continue to work full time maintain full benefits, including pension credit, profitsharing, and bonuses, as well as eligibility for merit increases.

All employees, regardless of age, are expected to perform satisfactorily in their job to the end of their careers. Addressing slippage in productivity is the reponsibility of supervisors. This has been found to be a challenging and difficult area.

The company offers a variety of options and programs to prospective retirees to help them understand and make the best decisions regarding their retirement. Multifaceted retirement counseling is offered, as well as seminars and preretirement conferences. Flexible work alternatives are also available and include rehearsal retirement, tapering off, temporary or permanent part-time work, job sharing, flexitime, consulting contracts, and a retirees' pool for work during peak periods. Some of the options are still in the experimental stage.

The two most commonly used options at Polaroid are rehearsal retirement and tapering-off schedules. Rehearsal retirement allows potential retirees an unpaid leave of absence of up to 6 months, to experience retirement before deciding whether or not to retire permanently. To be eligible, an employee must be 55 years of age and must have served the company full time for 1 year. During the leave, which averages three months, the employee accrues no benefits, although participants may pay their own premiums and continue receiving group insurance coverage. Possible drawbacks to this option are the loss of pay and benefits to the employee and difficulty in finding a temporary replacement. Of those who have tried rehearsal retirement, about half have returned to work on a full-time basis.

"Tapering-off" schedules are designed as a transition to retirement. With this plan, the employee's number of hours per day, days per week, or weeks per month is reduced for as long as 3 to 5 years. Specific arrangements are individually negotiated between employee and supervisor. Flexibility in working out these arrangements is considered crucial. Employees who elect a tapering-off schedule are paid according to hours worked; if they work more than 1,000 hours per year, most benefits continue on a prorated basis. Employees continue to receive full medical insurance and prorated pension credits.

Part-time opportunities are available after retirement through several vehicles. Retirees (primarily engineers and technical employees) may be rehired on a consulting basis under a single proprietor contract. Retirees may be rehired on a per diem basis through an independent employment agency, or they may be rehired through the company's own retiree's pool. The pool is operated on an informal basis during peak work periods through the use of a file of interested retirees. Most individuals in the pool are clerical workers.

All options are presented to all company employees during a preretirement and counseling series. The company's policies and philosphy focus on the dignity of the individual throughout his or her work life and into retirement.

Included in Polaroid's retirement benefits program is a profitsharing plan, a pension plan, and family medical and life insurance benefits. The company estimates that employees who retire after 30 years of service at the age of 65 may expect a retirement income of between 60 to 65 percent of the employee's preretirement salary. Sources of income include the company pension, profitsharing, and Social Security. Those retiring early have their pensions discounted by 3 percent each year.

## ROLM CORP.

### Problems/Improvements Addressed

Providing fully-paid sabbatical for all employees.

### Summary

The Continuous Service Leave (CSL) Program is a fully-paid sabbatical leave for all employees with 6 years continuous employment; it may be taken every 7 years.

### Description

Founded in 1969, the ROLM Corporation, in Santa Clara, CA, is a manufacturer of industrial and military computers and CBX computerized business telephone systems. It is a rapid growth company which has increased its work force from 107 in 1973 to over 5,600 employees. The average age of the employees is in the early 30's, but about 200 are over 45.

The "Continuous Service Leave" (CSL) Program began in 1974 to combat employee burnout in the high stress atmosphere of a rapidly changing high technology industry. It is based on the idea that "people need a break" occasionally, particularly when operating in high-pressure, intellectually demanding work. The leave involves the option of either 3 months of leave with full pay and benefits or 6 weeks of leave with double pay and benefits for all employees (from unskilled to management) who have worked full time for 6 continuous years. It is also available to permanent part-time employees on a prorated basis. Subsequent sabbaticals may be taken every 7 years. The sabbaticals may be combined with regular vacation time but may not be taken in increments.

Because the company is relatively new, the number of eligible employees has been small but is increasing. As of 1980, 60 employees were eligible. All eligible employees have participated in the program. A company spokesman sees the program as having heightened utility as its present work force ages, with the sabbatical offering a potential for transitions to retirement.

Some additional benefits of the program are the cross-training which occurs when other employees fill in for the person on sabbatical. It also appears to stimulate lagging projects which are brought up-to-date before the individual begins the sabbatical.

## SAN FRANCISCO UNIFIED SCHOOL DISTRICT

### Problems/Improvements Addressed

Alternatives to extensive reduction in force through a variety of alternatives for older workers.

### Summary

Three programs involving transitions to retirement, part-time teaching, and job sharing with no reduction in fringe benefits.

### Description

The San Francisco Unified School District, in San Francisco, CA, currently employs 4,000 teachers. In 1976, declining enrollments and the Proposition 13 tax initiative made a reduction of the full-time teaching staff necessary. The board of education was exploring alternatives in order to retain most employees. The superintendent recommended three plans: Plan A, incentives for early retirement combined with some continued consultation; Plan B, part-time employment; and Plan C, job sharing. Following approval by the board, the plans were communicated to the teachers via the school district newsletter, as well as by the employees' union. As of September 1982, 660 teachers are participating in the "Incentive Programs for Employees." Plans A and B are available only to employees over age 50; Plan C is open to all certified teachers.

Plan A involves the option of retiring and receiving a full pension and being hired as a consultant for various duties, excluding classroom teaching. It is open to teachers over age 50, with a teaching seniority of 10 consecutive years in California (the last 5 in the San Francisco district). As consultants, the retirees may work a limited number of days each year on a decreasing scale until their full retirement. Contracts run for 5 years or up to age 65, whichever comes first. The pay rate is $150 a day; thus, participants working the maximum number of days can earn a substantial per annum addition to their pension. Four hundred teachers are currently enrolled in Plan A.

Plan B creates the option of working 50 percent of the time required by the previous year's assignment, without reduction of fringe benefits. The mutually agreed upon activities include classroom teaching, as well as a wide variety of training and advisory tasks. It is open to employees over age 55 who have a 10-year seniority with the district. Most of the 200 participants have chosen to stay in the classroom and are working on various schedules (half-year, half-day, 3- or 2-day split on alternate weeks). Pension contributions are calculated on a full-time, full-salary basis despite the reduction in actual salaries.

Plan C involves the option of job sharing or partnership teaching at half pay, with benefits calculated on the full-time salary of the position. It is open to all certified teachers regardless of age. The 60 teachers involved in the plan have chosen a variety of combinations (e.g., an experienced teacher with a younger one, husband with wife).

As of fall 1982, the three plans are still in operation, with substantial savings reported by the district.

## SECOND CAREERS PROGRAM

### Problems/Improvements Addressed

Providing active retirees with second career options.

### Summary

Second Careers assists retirees in finding paid employment or voluntary positions in the community, and assists client companies in developing preretirement and retirement programs.

### Description

The Second Careers Program (SCP) in Los Angeles, CA, was established in 1976 as a demonstration project of the Los Angeles Voluntary Action Center, with funding for the first 2 years from the Edna McConnell Clark Foundation in New York. The Second Careers Program is now a self-governing nonprofit agency sponsored by the Los Angeles Voluntary Action Center and supported by subscription fees from client companies, placement fees charged to employers and charitable contributions by companies and foundations.

SCP offers a two-fold approach in providing second career options for retirees. First, SCP helps retirees (individuals 55 years old and over) find productive paid and volunteer jobs. Paid options include full time and part time, both permanent and temporary. SCP also provides individual and group counseling. Services are free to retirees.

Second, SCP counsels and assists southern California companies in designing and arranging preretirement and retiree-relations programs. An important segment of SCP's preretirement program focuses on second career opportunities, including paid employment, volunteering, education and self-employment. For these consulting and direct services, client companies pay SCP an annual base fee.

The Second Careers Program also offers client companies job placement services through its "skills bank" which is composed of retirees from participating firms as well as the community. In addition to screening and counseling applicants, SCP, acting as the employer, handles all payroll services for clients thus allowing companies to "rehire" retired employees on a temporary basis without affecting their pension status. Client companies are billed for each temporary employee plus a service charge. For permanent placements, employers are charged a one-time fee, payable over a 2-month period. Skills available through the service range from clerical to management level, including banking, sales, bookkeeping, auditing and accounting.

Since 1980, the SCP has provided consulting services to more than 20 companies in southern California and placed over 200 retirees in paid employment.

## SOUTHWESTERN LIFE INSURANCE CO.

### PROBLEMS/IMPROVEMENT ADDRESSED

Need for expertise of older workers; need to retain older workers in the work force.

### SUMMARY

Internal bid and promotion process; rehiring of retirees for short/term projects; hiring of older workers for full-time positions; flexible scheduling.

### DESCRIPTION

Southwestern Life Insurance Company, headquartered in Dallas, TX, handles all types of insurance, with the exception of property and casualty coverage. It employs 900 people in its home office and 800 in the field, covering 35 States.

Southwestern Life actively recruits older workers for full-time positions and advertises for individuals with "rusty office skills" to come to work for them. A wide range of training opportunities is available, including skills training and training in areas such as interpersonal interaction and communication. The company's training and development staff is innovative and actively works with the employees. Much emphasis is placed on learning to work with different kinds of people and to communicate effectively.

Southwestern Life also offers flexible scheduling involving flexible hours per day and days per week. Data processors, for example, work 3-day weeks with 12-hour days. Most other employees work 5-day weeks with flexible starting and finishing times.

To accommodate the commuting needs of employees, especially older workers, the company has 16 vans for group transportation and subsidized buses for transporting those over 65 who may not want to drive. The transportation assistance program was prompted by the fact that the home office is located in the central business district where parking is often a problem. The company buys the vans and employees amortize the operating cost among riders. Drivers do not incur any cost and bring in passengers from 10 or more miles.

The company also rehires its retirees, using the company retiree club, which was formed in 1968, as its source of part-time help. The club has 200 members. Retirees are typically rehired for short-term projects as consultants. Examples include a retired attorney with extensive claims experience who was rehired as a consultant to track fraudulent claims, and two mangement-level retirees who were rehired to coordinate the United Way Appeal. The jobs typically last 2 to 6 weeks, and hours are negotiated to avoid affecting Social Security income. Pensions of retirees rehired as part-time employees are not affected; no additional benefits are provided. An average of five retirees are rehired on this basis each year.

Southwestern Life Insurance Company also hires older workers through several local agencies. These employees tend to be temporary office workers, or they are involved in other kinds of service

work. In these cases, the agency handles the payroll. About four older workers a year are hired on this basis.

## STERILE DESIGN

### Problems/Improvements Addressed

The need for reliable workers on a part-time basis.

### Summary

The Company preferentially hires retirees to work as minishifters in its production facilities.

### Description

Sterile Design, Inc., headquartered in Clearwater, FL, is a relatively new company whose principal business activity is the packaging of medical and hospital supplies on a custom-designed basis. In addition to its corporate offices in Clearwater, it has facilities in Oldsmar and Safety Harbor, FL, Olathe, KS, and Sacramento, CA.

The company assembles custom-packaged supplies ranging from I.V. starter kits and cardiovascular surgical trays to operating room basin systems. Sample trays are set up at the corporate headquarters product development area. Workers in the production facilities then assemble packages copying the models.

For the assembly work, the company decided to utilize the large population of retired workers in the Clearwater area. Aware of the fact that most retirees could earn only a limited amount of money without reducing Social Security benefits, the company developed the concept of "minishifts" for part-time workers: short, 4-hour shifts that permit workers considerable flexibility in setting up schedules but nevertheless allow them to work up to 20 hours a week. Another consideration was that a single 4-hour shift per day would not be too taxing on an older worker.

The company employs almost 300 workers, approximately 180 of whom are minishifters. The minishifters are hired at minimum wage, but the hourly rate increases with merit. Only full-time workers are eligible for benefits such as life, medical, and dental insurance. The company does not yet have a pension plan. The minishifters receive paid vacations and holidays, and there is a flexible policy for personal leaves of absence.

Sterile Design, Inc., enlists the aid of the community and local retiree organizations in finding older workers interested in earning a supplementary income.

The vice president responsible for production feels that older workers are generally more careful, responsible, and dedicated and that these qualities are especially important in the assembly and packaging of medical equipment.

## STOUFFER FOODS CORP.

### Problems/Improvements Addressed

Accommodating older workers.

### Summary

Slower paced assembly line, performance appraisal, part time and temporary work for retirees, tapering-off program.

### Description

Stouffer Foods Corporation, a subsidiary of the Nestle Company, manufactures food products for retail consumer and institutional use and employs about 3,000. The frozen food plant, located in Solon, OH, employs a work force of 1,995, 198 of whom are salaried workers. The division has two types of product (assembly) lines: the retail line, which involves small packages sold in retail stores, and the institutional line, which involves larger packages for cafeterias, hospitals, etc. Because the institutional line requires more manual handling, the pace of the line is slower than that of the retail line. Older employees having difficulty with the job, particularly when safety becomes a factor, are gradually shifted to the slower paced assembly line, where their abilities can be productively utilized. A pilot project under the direction of a Michigan State University physiologist has been conducted at the plant. A Cybex II machine, which tests muscle strength, is used when there are problems on the job to help determine if exercise, retraining, or transfer to another job is necessary. With baselines established for each job, the machine has also been used in hiring. Over 100 individuals have participated in the ongoing project.

The slower-paced institutional line is a two-shift operation. On an average day each 8-hour shift has about 25 workers; of these, about 15 are in the mid 50's to late 60's. Workers earn about $9 per hour with regular benefits, including medical and dental insurance and holidays.

The practice of transferring older workers to the slower paced assembly line has existed for about 5 years. The practice stems from a company task force that was formed in 1978 to consider problems of the older worker. Stouffer also hires older workers and retirees for part-time or "call-in" positions. For example, 20 individuals in their 50's and 60's were hired to work part time on the third-shift sanitation crew, which operates from 12 until 4 a.m. To meet varied manpower needs on the production line, the company also uses older housewives and retirees as "call-ins" or temporaries on a 3-day/week schedule. Part-time and temporary workers receive prorated vacations and holidays, but no other benefits.

Stouffers also has a program which is intended to serve as a transition to retirement by gradually reducing work hours. Future plans call for extending a tapering-off program to all office and management staff. Currently (as of September 1984) the tapering-off program is tied to production line "call-ins" and office clerical workers, with some preretirees working 2 or 3 days a week.

## TELEDYNE CONTINENTAL MOTORS

### Problems/Improvements Addressed

Retention of older workers in the work force.

### Summary

The "Golden Bridge" program offers incentives for long-service employees to stay on at the company.

### Description

Teledyne Continental Motors, located in Muskegon, MI, is a manufacturer of tank engines. It includes two production plants with 1,200 employees in the General Products Division. The company is a subsidiary of Teledyne, Inc., headquartered in Los Angeles, CA.

In 1977, the company instituted the "Golden Bridge" policy as an incentive to retain its older employees. Concerns over the prospect of excessive retirements among its employees prompted the new policy. Finding adequate replacements for skilled machinists was one underlying concern; pension and other benefit costs were another. The "Golden Bridge" plan is automatic for all hourly employees 58 years and older with 30 years of credited service. It includes added vacation time, increased insurance and pension benefits, and increased surviving spouse benefits. Employees aged 58 to 62 are entitled to 160 extra hours of paid vacation; those over 62 receive 200 extra hours. The program also includes an additional $1,000 life insurance for each year a worker participates, 60 percent of the basic pension benefits (5 percent increase) to surviving spouses of employees who work to age 65, and a one-third increase in benefits each year a worker participates. The employee has the option of taking the vacation benefit as paid leave, income payable at the end of the year upon retirement, or in monthly installments after retirement. Most choose to be paid rather than take the time off.

The benefits for the active employees on Golden Bridge are based on a full year of participation. Any employee who retires prior to completion of full individual Golden Bridge year forfeits that year's bonus but receives prior Golden Bridge benefits accrued.

Between 1977 and 1983, 422 workers participated in the Golden Bridge Program, with the average number of participants fluctuating each year from a high of 243 in 1977 to 199 in 1982. The vast majority are factory workers. Salaried employees must be 60 years old to participate. All factory employees are unionized, and the Golden Bridge plan is in the union contract.

## TEXAS REFINERY CORP.

### Problems/Improvements Addressed

Need for productive older sales people.

### Summary

Texas Refinery Corporation hires and trains retirees of various backgrounds to sell its products in the United States and abroad.

### Description

Texas Refinery Corporation (TRC), headquartered in Fort Worth, TX, is large manufacturer and marketer of building protectants and heavy duty lubricants. It has several large divisions and small-

er manufacturing facilities in Texas, Ohio, Canada, Mexico City, and Luxemburg. Its permanent work force consists of 500 office employees and plant workers. The number of sales persons employed in over 100 countries fluctuates around 3,000. They work independently in their communities and are paid a commission plus bonuses and benefits based on sales.

As of October 1982, the corporation had about 500 salespeople who are in their 60's, 70's, and 80's. They are hired around the country as independent contractors. Most work part time to supplement Social Security, earning an average of $3,400 a year. The company's policies reflect the management's positive experience with older workers. TRC sales programs involving retirees have evidenced superior productivity. The company president states that older workers are more loyal and reliable, and work harder than younger workers.

TRC hires retirees regardless of their former education and careers. Their philosophy is that an agreeable personality, talent, self-motiviation, and life experience are the necessary qualifications for the job. They provide training for all new salespeople in the form of intensive 2-day seminars held throughout the United States on a regular basis.

TRC's has a defined contribution pension plan. Eligibility of sales personnel is based on a 1-year seniority in October each year, the same as for full-time employees. Employees participate in a group health insurance policy after the first year of employment, regardless of age. Benefits also include free life insurance. TRC provides various incentives (e.g., trips abroad, Cadillacs, bonuses, diamond rings, blazer jackets, etc.) to stimulate sales.

Although many of the older salespeople are part-timers with "part-time" incomes, there are also numerous top producers and earners in the over-60 group. In 1981, for example, 18 of the company's top 40 salespeople were over 60. In recognition of older workers' successes, the firm's chairman organized a "Sizzling Sixties" club in 1955. Members receive a special lapel pin and recognition during annual conventions.

## TEXAS RESEARCH INSTITUTE OF MENTAL SCIENCES

### Problems/Improvements Addressed

Need for older staff members to provide services to people over 60.

### Summary

The Institute employs older paraprofessionals who work half-time at senior centers and in older persons' homes.

### Description

Located in the Texas Medical Center in Houston, TX, the Texas Research Institute of Mental Sciences is the research and training facility of the Texas Department of Mental Health and Mental Retardation. It also provides direct outreach services through the development and evaluation of treatment/service delivery models. The Institute's geriatric section operates a comprehensive mental

health program, including preventive community health services and treatment of emotional or psychiatric disorders. The staff of 530 includes 42 employees in the geriatric section.

In January 1974, when part-time paraprofessional positions were created, four older women were hired to provide information and referral services to people over 60 at senior centers. Based on the success of that initial program, five more older persons were hired as field workers for an after-care/alternate care service started in July 1974. An evaluation of the nine older workers' contributions concluded that the model warranted expansion. In April 1975, two additional paraprofessional positions were created and filled with older workers. They worked 4 hours a day, 1 day in the office and 4 days at senior centers. As of November 1982, the Institute employed eight paraprofessionals who worked 6 hours a day, visiting in older people's homes and at senior centers. Most of the original staff, who were in their 70's when they began working, have now retired. Hiring requirements do not include a professional human service background or experience in working with older people, but volunteeer experience in community affairs and good written and oral communications skills are necessary. All paraprofessionals are initially provided with about a month of intensive orientation to agency functions and procedures, community resources, and normal and abnormal aging processes. They receive in-service training through weekly staff meetings, participate in various special meetings and conferences, and discuss cases and problems with their supervisors in regular individual sessions. They are paid hourly wages, varying with the position (e.g., casework assistant, community resource specialist, etc.) and work 20 hours a week. Benefits are the same as those of full-time workers, but sick leave and vacation are prorated. Pensions are based on a 10-year vesting period.

It is reported that older workers have made a valuable contribution to the geriatric mental health team; these workers show a special ability to relate to the problems of older clients and a tendency to pursue solutions more persistently than most of their younger colleagues. Their visibility on the staff has made the service less threatening and more acceptable to potential clients.

## THE TRAVELERS COMPANIES

### Problems/Improvements Addressed

Enhancing opportunities for the employment of older workers on a temporary and permanent part-time basis.

### Summary

Travelers' "Older Americans Program" offers a variety of employment options including temporary positions, job sharing, retraining of retirees, and planning for retirement. The company has also revised its pension policy and eliminated mandatory retirement.

## DESCRIPTION

The Travelers Companies, headquartered in Hartford, CT, is one of the Nation's largest diversified financial services enterprises, with assets of $33 billion and $136 billion of life insurance in force. In 1981, its total work force was 28,155, of whom 18,588 worked in field offices throughout the United States and 9,567 worked in the home office.

Activities under The Travelers' Older Americans Program are an outgrowth of a survey administered by the company in 1980 to employees 55 years and older and a followup survey in 1982 to a sample of company retirees. The results suggested the need for more extensive planning for retirement, and a high degree of interest in part-time work after retirement; 85 percent of the respondents said they were interested in post-retirement employment. Most of that group said their preference would be to continue on a part-time basis with the company. Interest was expressed in both fixed-schedule and on-call part-time employment.

To address the implications of these findings, Travelers initiated a "retiree job bank." Retirees register with the job bank for fixed-schedule and on-call part-time positions. The positions, which are temporary, range from secretarial work to materials handling, as well as a few professional level assignments. Temporary positions become available during seasonal periods of high workload or during employees' illnesses or vacations. Each day in the home office about 65 such positions are filled by retirees, drawing from a list of about 209 retirees who have registered with the job bank. Retirees listed in the job bank may work from 8 to 200 hours per month, although 62.5 hours per month is average.

Job-sharing opportunities were also introduced in the clerical support and switchboard areas. The job bank, in fact, is directed by two retirees who share the job. One is a 75-year-old who served the company 44 years and had been retired 7 years before returning, while the other director is a 67-year-old who retired after 42 years with the company as a personnel officer. She returned after 1 year of retirement.

A training program was established to facilitate the employment of retirees. It is designed for returning typists and secretaries who may need refresher courses or updating on new office equipment and procedures, including computer data entry and text processing. The retiree job bank is administered by a special unit within the personnel department, and most of the temporary positions in the home office are filled by retirees. Fourteen part-time permanent positions and 10 shared positions are also held by retirees.

In addition to the employment and training programs, Travelers abolished mandatory retirement and revised its pension plan so that retirees could work up to 960 hours per year without any effect on their pension income. Prior to the change, a loss in pension income was incurred after working more than 40 hours a month.

A voluntary retirement planning program was established for all employees 55 years and older. Composed of 2½-hour seminars offered each week during business hours for 8 weeks, the sessions cover financial planning issues and careers in retirement, as well

as leisure time planning and health. Each seminar includes 25 employees and is open to spouses.

Travelers conducts a research program, investigating such issues as retirement planning, post-retirement employment, and employee benefit costs. The company is also looking into ways to extend part-time and temporary employment opportunities to retired middle- and upper-level managers.

## VARIAN ASSOCIATES

### Problems/Improvements Addressed

Retention of valued employees through phased retirement.

### Summary

Varian's "Retirement Transition Program" involves a reduced work week at proportionately reduced salaries for workers 55 and over with 5 years of service and within 3 years of planned retirement.

### Description

Varian Associates, headquartered in Palo Alto, CA, is a high technology research, development and manufacturing firm with 27 plants in six States and eight countries and about 13,000 employees. The company makes solid state devices, electron tubes, quality control instruments, scientific equipment to analyze toxic substances and for use in designing alternative energy sources and medical equipment, such as therapeutic radiation equipment. Sales in 1982 were over $650 million.

Varian developed its phased retirement program in 1977 in response to employee requests for reduced work schedules in preparation for retirement. The program, developed by top management, originally involved a reduced work week (at proportionately reduced salary) for employees who were at least 60 years old with 5 years service and who intended to retire within 2 years. Recently, the requirements were changed so that employees must be at least 55 with 5 years of service. The program can now also extend beyond 65. The reduction in worktime normally consists of a 4-day week the first year and 3-day week the second year, but other variations are possible as long as employees work at least 20 hours per week. Participation is limited to 3 years. The original program guidelines allowed for job sharing, but no one has taken advantage of this option.

Although the program is handled separately at each plant, the senior administrator, corporate benefits office, has estimated that only 5 to 10 percent of eligible employees participate. The number has remained fairly constant over the years. For example, between 1977 and 1980, 15 to 20 employees (five women) at all occupational levels, including assemblers, clerical, skilled technicians, senior engineers, scientists and two directors of corporate departments, participated. Without the program, those individuals probably would have opted for full early retirement. Varian has no mandatory retirement at its U.S. installations. Fewer women than men participate, reflecting their smaller numbers in the company (38 percent)

and the fact that many married women in the age range 58 to 62 retire early to coincide with their husband's retirement. Since the program has been extended to employees who retire after 65, two or three individuals at the Palo Alto installation (40 percent of Varian's U.S. employees are in Palo Alto) have chosen phased retirement.

Most participants retain their positions, but resassignments are made if scheduling changes cannot be accommodated in the department. According to program guidelines, supervisors may have to move to nonsupervisory positions in order to participate but this is not always the case. No formal evaluation has been done, because of the small numbers involved, but participants appear happy with it. A typical comment is "I wish I had gone on it sooner."

Participants remain eligible for merit increases, overtime (although this requires working more than 8 hours per day or 40 hours per week and therefore is not anticipated), holiday pay (if the holiday falls on a scheduled work day) and access to the credit union. They also qualify for full educational assistance, 100 percent for tuition, fees, and books for job-related courses. The company is currently considering a relaxation in the definition of "job related" to include second career preparation courses for phased retirement employees.

Participants are also eligible for the same employees benefits as full-time employees. Although full medical and dental benefits are retained, vacation time and sick leave are reduced in proportion to hours worked. Other benefits which are tied to earnings, such as disability, life insurance, and employer-contributions to the retirement plan, are prorated.

The company has a combination retirement and profitsharing plan. Employee contributions are matched by the company, which adds 5 percent of pretax earnings as a profitsharing contribution. Reduced income during the period of reduced work schedule prior to retirement can slightly decrease retirement income, but employees who participate in the phased retirement program can build up their retirement accounts by making additional voluntary contributions to it before or while in the program.

The program is publicized through company publications and at benefit and preretirement seminars. Application must be made to supervisors 3 months prior to the desired participation date; the lead time is necessary for finding replacements and alternate jobs. Supervisors, in consultation with their managers, determine if a replacement is needed and if a suitable alternative job is available. After the new work schedule is arranged, the supervisor submits a program review form to the personnel department. Final approval is made by managers of the product division. Return to full-time employment is possible if the reduced work schedule results in economic hardship.

In addition to phased retirement, Varian rehires retirees for full- and part-time positions. Those who return full time participate in full company benefits, including the retirement and profitsharing plan. Other retirees return to work on a contract basis involving short-term assignments. In September 1982, there were six retirees, including a senior engineer, an individual with expertise in contracts and a key person in personnel, working on short-term assign-

ments. In 1981, one of the divisions at Palo Alto mounted an intensive recruitment effort directed toward retirees in critical areas of expertise. Recruitment has been hampered by the fact that 50 to 70 percent of the retirees relocate to other areas after retirement.

## WELLS FARGO AND CO.

### Problems/Improvements Addressed

Providing opportunities for personal growth.

### Summary

Wells Fargo and Company offers employee programs to facilitate personal growth and to prepare employees for retirement life.

### Description

Wells Fargo and Company, an international banking corporation with 13 subsidiaries, employs over 16,000 people. The Wells Fargo Bank, the largest single subsidiary, is the third largest bank in California and the 11th largest in the United States. Of the company employees, 37 percent are minorities and 71 percent are women.

Wells Fargo and Company has an employee/retiree relations department, which is staffed by six full-time employees including three counselors and their support staff. The department is responsible for monitoring and analyzing issues and trends affecting employees including the older worker, coordinating retirement planning programs, consulting on work-related problems and managing retiree relations. The department is responsible for influencing policy to minimize age discrimination and for developing programs that will enhance working relations with older workers.

In 1980, Wells Fargo expanded its retirement planning seminars to a full-day program which included topics such as health maintenance, personal financial planning, estate planning, adjustments and transitions, and benefits. Internal and external speakers are used, and employees' spouses are invited. The goal of the program is to expose employees to the importance of early retirement planning. In 1984, the program was opened to employees of all ages.

In the early part of 1982, a tuition reimbursement program for preretirees was piloted. Intended as an opportunity for older workers to develop new interests before retirement, full reimbursement for night classes was offered to employees 60 years of age and older. Of nearly 300 eligible employees, however, only three participated. Most of the workers stated that they were too tired after work to take evening classes. Based on this finding, the department developed plans to offer it to 55-year-olds in the future. The program is presently not operative.

In 1976, Wells Fargo developed the Social Service Leave Program. Employees with over 3 years of service may take up to 6 months paid leave to work in a nonprofit agency of their choice to perform volunteer work of permanent and lasting value.

Employees must apply for this special leave program, and must work with the agency director to develop an action plan to follow during the time they work at the nonprofit agency.

Several older employees have taken social service leave. One employee's wife had been deaf for 2 years before she died, which inspired him to learn sign language and to understand problems of the deaf. He took a 6-month leave to work with deaf and hard of hearing students in a Special Education Program at his local high school.

Another older employee with a son with severe head injuries as a result of a motorcycle accident, developed a $2.5 million fundraising campaign for an agency which provides living environments for severely disabled young adults. She also wrote a proposal for transitional housing communities for the head injured which was used by the California State Department of Developmental Disabilities.

This program has helped employees identify and develop skills in their work at nonprofit agencies which can be applied in their jobs upon return to Wells Fargo. Since this program began, 29, employees have taken social service leaves.

Since 1977, Wells Fargo has offered a sabbatical program called "Personal Growth Leave," wherein all employees in good standing with 15 or more years of full-time service are eligible for a 3-month fully paid leave of absence to pursue an activity or interest of their choice. In 1982, a third stipulation for eligibility was added: the employee must plan to return to the company.

Employees interested in taking a personal growth leave must apply for one and clearly state in writing their plans for study or development during the sabbatical. Requests involving purely leisure activities, such as travel, are not granted. Upon return a written report is required, describing the gains from the leave.

A special payroll was established so that employees on leave receive full benefits. Procedures were also established on an executive level to guarantee the employee his/her same or a similar job upon return. This program is well publicized in the employee handbook and the employee newspaper. Since the program began, 19 employees have participated.

While the leave is not intended as a transition to retirement many participating employees have used the time off to pursue interests which became livelihoods or second careers upon their later retirement. One employee with Wells Fargo for 40 years, for example, used the sabbatical to take courses in geology and jewelry making. Upon retirement from the company several years later he began making and selling jewelry out of his home. Similarly, a woman who plans to open a bakery upon her retirement used the leave to take business and bookkeeping courses, in addition to cooking classes.

The Personal Growth Leave Program was temporarily suspended in 1984, but is expected to be reinstated in 1985.

## WESTERN SAVINGS AND LOAN ASSOCIATION

### Problems/Improvements Addressed

Need for older employees to provide a larger service base in retirement communities.

## Summary

The bank hires older workers for full-time positions and retirees for part-time or on-call employment, with benefits based on work hours and earnings.

## Description

Western Savings and Loan Association, with headquarters in Phoenix, AZ, and 69 branch offices throughout the State, totals $3.8 billion in assets. The bank's work force consists of 1,150 full- and part-time employees.

The company hires older workers for permanent full-time positions, as well as retirees on a part-time or on-call schedule. In 1974–75, when the bank was beginning to enter the retirement market, the management had become aware of the need for heavier staffing and started to hire workers in the same age group as their customers. The program has been successfully implemented ever since. According to the vice president of employee relations, older people often are interested in greater customer interaction. They spend more time with a customer and they relate better to the needs of retired people than many younger employees. They are representative of the communities they serve. Part-time and on-call employees work during peak business hours, at lunch time, evenings, and weekends.

As of November 1982, the number of permanent full-time employees in the 65 to 70 age range was about 40, some of them having been hired after the age of 60. In addition, the bank employs 40 part-time workers in this age group, the oldest of whom is 73, and 15 retirees who work on-call. The majority are employed as tellers, the rest as hostesses at the bank's "Westerner Clubs"; 80 percent are women. "Westener Clubs" have been organized for the bank's large-deposit customers. The primary users of the clubs are the elderly. The clubs, which occupy space in the bank, are used by customers, who have refreshments, read papers from all over the country, display their crafts, hold meetings, or make free long distance telephone calls on the bank's WATS line. The clubs also organize trips, with discounts on 2- to 4-week vacation tours.

The bank provides fully paid health insurance for all full-time workers. Part-time employees may pay for insurance coverage. The bank has a pension plan, as well as profitsharing. Employees hired past the age of 60 cannot participate in the pension plan, but are entitled to profitsharing. They are 30 percent vested after 3 years, with a 10-percent increase each year (i.e., if hired at age 60 they are fully vested at age 70). All employees receive sick leave, vacation, and holiday pay, prorated in the case of part-time employment. Other employee benefits include reduced mortgage rates, free checking, 8 percent off the normal interest rate on VISA, and a Social Security supplement for eligible retirees. The company estimates that benefits cost over 30 percent of the payroll dollar. The vice president describes the benefits as geared toward longevity. The company feels the obligation to provide for its employees and the employees consider the company as a career. Increased loyalty and reduced turnover are thought to compensate for benefit costs.

## WICHITA PUBLIC SCHOOLS

### Problems/Improvements Addressed

Providing employment opportunities for more teachers and allowing retired employees to return to work.

### Summary

Job-sharing opportunities are available and retired employees are rehired.

### Description

The Wichita Public School system has a total enrollment of approximately 45,000 students and includes 99 attendance centers. There are more than 6,000 employees, the average age of whom is 41.

In 1977, the director of employment relations, proposed a job-sharing program in the school system. He was inspired by an organization in Wichita called Work Options for Women which was founded after experience with the California program, New Ways to Work. The original goal of the program was to pair young teachers, who perhaps had a family and wanted to work only part time, with older, experienced teachers, who were nearing retirement and wanted to taper back their hours.

The job-sharing positions are differentiated from part-time positions in that a shared job must be a full-time job for which two people are responsible. At the present time no administrative jobs or secondary school level positions are shared. Self-contained elementary school classroom positions have been found to be the most viable shared positions.

The school's policy toward job sharing is that the employee must be the one to initiate the idea. The personnel staff will help a teacher find a partner, but the preferred practice is for the interested teacher to find another interested teacher. For the program to be successful, the two teachers must be able to work well together. When a partnership is arranged, the two teachers must submit a proposal to the board of education stating the following: what they consider to be the advantages of the job sharing to them, to the students, and to the school system; the potential disadvantages to each group; and a specific plan regarding how they will coordinate the sharing. According to school policy, the shared job does not have to be split in half; rather the partners decide how they wish to split it. Regardless of how the job is shared, each teacher receives half of the full-time salary and benefits for a half-time teacher.

As of the 1982-83 school year, there were 30 job sharers in the system, 15 of whom were over the age of 40. While the original goal was to pair younger and older teachers, so that each could complement the other's strengths, the administration has found that most teachers have chosen to work with others of a similar age and teaching style. The widest age span between the members of a sharing team is 14 years.

The school system, including administrators, teachers, and parents, have found the program to be highly successful. A key factor has been the pairing of teachers with similar styles and philosophies; in most cases this has been due to the teachers themselves. The careful planning and thinking that is required in writing the job-sharing proposal is also considered important.

While the cost of the benefits for the two sharing teachers exceed that of one full-time equivalent employee, the school system has found that the two teachers produce more than one full-time teacher. In view of this, the extra costs are matched or outweighed by the advantages. Although each sharing teacher receives the benefits of a half-time teacher some of these, such as disability insurance, are full benefits. Other benefits, such as life insurance, are halved; full-timers receive $20,000 in life insurance, half-time employees receive $10,000.

The Wichita Public School System also has a unique program involving the rehiring of its retirees. The program was established after the Kansas Public Employees Retirement System (KPERS) was changed so that retired employees were no longer penalized by pension reductions if they returned to work. Presently the KPERS policy states that if a retiree is reemployed there will be no reduction in pension benefits. KPERS is a defined contribution pension plan. Employees pay 4 percent of their earnings to KPERS.

When the KPERS policy on reemployment after retirement was changed in 1979, the Wichita Public Schools announced that it would consider rehiring any retiree who wished to return to work. Initially it was thought that retirees would elect to return part time while drawing their KPERS benefit, so that their total income would approximate their preretirement income. However, most retirees have elected to return on a full-time basis, thereby increasing their incomes above the preretirement level. The administration speculates that the depressed economy has prompted this trend. Rehired retirees do not accrue retirement credits. They receive all other benefits. According to State law, they must permanently retire at age 70.

In the 1982–83 school year, three 65-year-old retirees were rehired into full-time positions. All have requested and received the same assignment in the same building as they had prior to retirement. Interestingly, most retirees who return to work do not take advantage of this attractive program, preferring instead to return as substitutes. In such case, they receive no benefits and are paid on a per diem basis. While the new KPERS policy extends to all public school districts in Kansas, the Wichita Public School District is one which actively promotes the rehiring of its retirees.

Within the school district there are 40 to 50 permanent part-time teaching positions. Many involve special reading instruction, music, or art and are filled by young female teachers with family responsibilities. There are also part-time opportunities in the custodial and food service areas. Although numbers are not available, older workers tend to fill these positions.

## XEROX CORP.

### Problems/Improvements Addressed

Prolonging the working careers of older employees through less physically-demanding jobs; employee involvement in the community.

### Summary

A voluntary downgrading for unionized older workers is available; a paid social service leave is offered.

### Description

Xerox Corporation, headquartered in Stamford, CT, is an international multibillion-dollar corporation whose primary business involves the development and manufacture of copy reproduction equipment and photographic paper. Founded in 1959, Xerox is the successor to Haloid Company, which was established in 1906 as a manufacturer of photographic paper.

Xerox Corporation has a domestic work force of 55,000 in 160 affiliates. The major manufacturing location for duplicating and copying equipment is in Rochester, NY, where approximately 13,000 people are employed; 26 percent of the Rochester employees are unionized.

In the late 1970's, as the company and the union were considering new agreements on worker productivity, concern was raised regarding older employees in physically demanding and stressful positions. The goal of these concerns was to find a way to allow these employees to prolong their working careers at a less demanding level while maintaining a high level of productivity. What emerged was a voluntary downgrading option for unionized hourly workers. Workers 55 years and older with at least 15 years of service, and those 50 years old with 20 years of service can bid on jobs at lower stress and lower pay levels. According to the collective bargaining agreement, the pay would be set at an average of the pay for the new and old jobs. After bidding downward, the employee foregoes the opportunity for future promotions and transfers, except for schedule shifts.

Since 1980, approximately 450 employees have been eligible for this option, and 10 to 15 percent have availed themselves of it. Reaction to the program has been mixed. From the employees' standpoint, it provides an alternative to continuing to work in physically-stressfully jobs. There are costs to the company in terms of higher pay, but there are dividends in terms of efficiency and lower absenteeism. Since the company pension plan is based on the employee's best 5 years of service, pensions are not seriously affected. This option is still available to the hourly production workers in Rochester.

Xerox Corporation also has a Social Service Leave program, established in 1972. Each year, 264 months of employee time are allotted for SSL. All full-time employees, union and nonunion, with 3 years of service can apply. Leave ranges from 1 to 12 months;

during the leave the employee receives full pay and all benefits. The same or similar job is guaranteed upon return.

Employees initiate the leave and submit a formal application, including a letter of support from the nonprofit organization with which they will work. Applications are reviewed by a seven-member employee evaluation committee, composed of a cross-section of employees with knowledge of volunteer activities. Applications are reviewed according to several criteria, including the applicant's ability to do the job, the goals of the project, and the nature of the sponsoring organization. Applications are ranked, and those receiving the highest scores are approved first. The review committee can recommend changes in the amount of time to be taken.

Of the approximately 70 applications, each year, between 10 and 27 leaves are granted. Not all of the available months of leave time are utilized, because the committee emphasizes quality, not quantity of leave time. All occupational levels, from factory workers and secretaries to engineers and vice presidents, are represented. Coverage of the leave taker's position is handled by transfers, cross-training of coworkers, and the hiring of part-time employees as consultants.

Employees on leave are asked to make monthly reports to Xerox and are visited on the project at least once by a company representative. They are also asked to write a final report on their leave. After 3 years, employees may apply for another leave.

Although it does not have a formal policy, the company occasionally rehires its retirees on a consultative basis, primarily in the technical divisions.

Xerox Corporation is presently involved in a research project at the University of Southern California to devise a needs analysis and attitude survey from which a training program on managing the older worker will be developed. A manual is projected for completion in 1985.

# APPENDIX

## SOURCE OF DATA FOR COMPANY SUMMARIES

The following persons were particularly helpful in the development of the summaries included in this report:

Aerospace Corporation, Los Angeles, CA: Robert S. Rubenstein and Don Shumaker.

American Telephone and Telegraph: Bell Laboratories, Holmdel, NJ: Mary Ajemian, Kathy O'Connor, and Carl R. Wischmeyer.

Atlantic-Richfield Company, Los Angeles, CA: Blair A. Hyde.

Avanti Motors, South Bend, IN: Tom Dudeck.

Bankers Life and Casualty Company, Chicago, IL: Dr. Anna Marie Buchmann.

Continental Illinois Bank and Trust Company, Chicago, IL: Mike Bulicek and Joe Rodrigues.

Control Data Corporation, Minneapolis, MN: Judy Alnes, Susan Busch, J. C. Dregni, and B. L. Hanson.

Corning Glass Works: Research and Development Division, Corning, NY: Dr. Marvin G. Britton, Gordon McPherson, and Dr. Andres Steinmetz.

Crouse-Hinds, Syracuse, NY: Julie Walter.

Focus: HOPE Machinist Training Institute, Detroit, MI: Thomas J. Armstead and Suzanne Young.

F. W. Dodge Company, Mission, KS: Frank Lewandowski.

General Dynamics/CONVAIR Division, San Diego, CA: Norvell Freeman.

General Electric Company: Aerospace Electronic Systems Department, Utica, NY: Raymond W. Zukowski.

Georgia Power Company, Atlanta, GA: Emma Hughes.

Great American First Savings Bank, San Diego, CA: Pat Contasti.

Grumman Aerospace Corporation, Bethpage, NY: William F. Hughes.

Hastings College of the Law, University of California, San Francisco, CA: Wayne S. Woody.

Intertek Services Corporation, Rolling Hills, CA: W.D. Raymond.

Kelly Services Inc., Troy, MI: Rose Lesch.

Kollmorgen Corporation: Electro-Optical Division, Northampton, MA: Evelyn Pipione.

Minnesota Title Financial Corporation, Minneapolis, MH: Cheryl A. Jones.

Mutual of New York, NY: William Doherty.

Pitney Bows, Stamford, CN: Michael DeAngelo, Dolores T. Lombardo, Dave Nassef, and Janine L. Salvey.

Polaroid Corporation, Cambridge, MA: Joseph S. Perkins.

Rolm Corporation, Santa Clara, CA: Jim Doorman.

San Francisco Unified School District, San Francisco, CA: Robert Seymour.
Second Careers Program, Los Angeles, CA: Marjorie Jeffery and Tod Lipka.
Southwestern Life insurance Company, Dallas, TX: Robert E. Edwards.
Sterile Design, Inc., Clearwater, FL: Kay Rosenau, Glenice Shepherd, Robert Siles, and Joan Solomonson.
Stouffer Foods Corporation, Solon, OH: Jack Durkin.
Teledyne Continental Motors, Muskegon, MI: Paul J. Opacki.
Texas Refinery Corporation, Fort Worth, TX: Jerry Hopkins and Wesley D. Sears.
Texas Research Institute of Mental Sciences, Houston, TX: Carolyn Hemphill.
The Travelers Companies, Hartford, CT: Janet C. French.
Varian Associates, Palo Alto, CA: James L. Harvey.
Wells Fargo and Company, San Francisco, CA: Nancy Thompson and Irene Yee.
Western Savings and Loan Association, Phoenix, AZ: Bill Candland.
Wichita Public Schools, Wichita, KS: Robert Lane and Robert D. Wright.
Xerox Corporation, Stamford, CT: Phil Hodges.

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